

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 26 AUGUST 1924

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TUESDAY, 26 AUGUST, 1924.

The SPEAKER (Hon. W. Bertram, *Marce*) took the chair at 10 a.m.

QUESTION.

SALES OF CATTLE FROM STATE STATIONS, 1923-24.

Mr. MOORE (*Aubigny*), for Mr. Corser (*Burnett*), asked the Secretary for Public Works—

“1. How many head of cattle were sold from State stations during last financial year to other States, stating number, respectively?”

“2. What was the average price realised, respectively?”

The ATTORNEY-GENERAL (Hon. J. Mullan, *Flinders*), for the Secretary for Public Works (Hon. W. Forgan Smith, *Mackay*), replied—

“1. 10,381 head from Dillalah and Keerongooloo stations.

“2. 211 at £9 9s., 170 at £9 5s., and 10,000 at £7 16s. 3d.—on trucks nearest station.”

PAPER.

The following paper was laid on the table, and ordered to be printed:—

Report of the Agent-General for Queensland for the year 1923.

DISEASES IN PLANTS ACT AMENDMENT BILL.

THIRD READING.

The PREMIER (Hon. E. G. Theodore, *Chillagoe*): I beg to move—

“That the Bill be now read a third time.”

Question put and passed.

WAYS AND MEANS.

FINANCIAL STATEMENT—RESUMPTION OF DEBATE.

(*Mr. Pollock, Gregory, in the choir.*)

Question stated—

“That towards making good the supplies necessary to defray His Majesty's public expenses and making an addition to the public revenue—

There be charged, levied, collected, and paid stamp duty of the amount following:—

On every Bill of Exchange payable on demand or at sight, or on presentation, or in which no time for payment is expressed, the sum of twopence, in lieu of the sum of one penny, presently chargeable on every such Bill of Exchange.”

Mr. KERR (*Enoggera*): When the House adjourned on Friday I was dealing with the loan expenditure. I had pointed out that the public debt has now reached the enormous amount of something in the vicinity of £90,000,000, and I mentioned that the return from public works and services on which the money has been expended was very small indeed. To meet the interest charge on that debt only £1,547,894 was received last year,

whereas £3,761,140 had to be paid in interest. Up to 1914 our loan expenditure amounted to £56,000,000. Since that time we have expended another £30,000,000 or £35,000,000 from the Loan Fund, yet we are to-day receiving £160,000 less than we received in 1914 as interest on our loan expenditure. If we are receiving less now on a greater expenditure than was received in 1914, then the only logical conclusion we can come to is that we are getting absolutely no return whatever on the money expended since that year. If a man spends £100 in 1914 and obtains sufficient to pay the interest on that money, and then a number of years afterwards spends another £100 and receives less on those two amounts of money than he received on the expenditure of the former sum in 1914, there is something wrong somewhere. Yet, that is the position of the finances of the State to-day in connection with loan expenditure. I know that some of the assets of the State may possibly be worn out, and that is one reason why we are not getting a sufficient return on the money expended; but the Government during the last ten years should have made some provision, by way of a sinking fund or otherwise, to have those assets replaced. The only sane solution of the finances of the State is to see that this £90,000,000, representing expenditure from the Loan Fund, brings in a sufficient return to pay, or very nearly pay, the interest on that money. If one studies the tables relating to the Treasurer's Financial Statement, it will be seen that, where in 1914-15 the percentage of revenue required to meet interest charges amounted to 3.72 per cent. of the revenue, it now amounts to 16.48 per cent. of the revenue. In 1914 taxation was not required to meet interest charges, but to-day a considerable amount of income is required from that source to meet interest charges on loan money which is not making a sufficient return.

The Government have consistently starved sound investments, such as the advancing of money to local authorities, and at the same time have invested the money in wild-cat schemes. The local authorities have been compelled to go to other sources for money for electric light schemes, water channelling, etc., with the result that the trading enterprises and industries of this State have been financially restricted because of the fact of local authorities having to go to private banks instead of being able to get financial assistance from the Government. Quite recently a conference was held between the Treasurers of the States and the Commonwealth with a view to establishing one borrowing authority. It will be necessary in the very near future for the local authorities of Queensland to agree to one borrowing authority, instead of all the local bodies being allowed to borrow independently after the issue of an Order in Council, otherwise the taxpayers of Queensland, who are already heavily taxed, will have to make some provision different from that which exists to-day. Last year the balance of the Loan Fund was £2,672,325. I would now like to deal with the Trust Funds, which are in as disastrous a condition as the Loan Fund. To-day the net balances of the various Trust Funds show a deficit of £889,797. That only means one thing. The debit of the Trust Accounts has reached nearly £1,000,000. The State has had to pay somewhere in the vicinity of 6 per cent. interest on that money,

involving an extra interest charge on the revenue of £60,000. That alone is fairly heavy. I know that the Treasurer may refer to the fact that in 1914 the Trust Accounts were overdrawn to a very large extent.

The TREASURER: That is quite right.

Mr. KERR: I want to be quite fair, but since that date, by means of the Government Savings Bank moneys, we were able to reduce that overdraft. But, notwithstanding what has been done, the Government are now spending trust moneys in exactly the same way as loan money is being expended to-day. When the Government have not been able to square the Loan Fund Account, they have been taking the money at credit of the Trust Accounts, such as the assurance fund under the Real Property Act and the Public Service Superannuation Fund, amounting to tens of thousands of pounds, and using it in State enterprises such as the Chillagoe smelters. There is no wonder that the Trust Accounts are in debit to the extent of nearly £1,000,000 when that has occurred. The Treasurer will acknowledge that, in order to get over the difficulty of treating each trust account separately, he last year amalgamated these accounts, giving him the right to use the money in various avenues. I am going to show exactly how this works out. The assurance fund under the Real Property Act was in credit to the extent of £135,000, while the State Public Service Superannuation Fund was in credit to the extent of £452,523.

I have mentioned that this money is being spent in uncertain enterprises. I am going to take one of those uncertain enterprises in which this money is being expended to-day because loan money has not been available to the State. I want to take, first of all, the State coalmines. Last year the expenditure under this heading from trust funds was £141,596 and the receipts £128,568, making a shortage in the State coalmines on trust funds accounts of £13,028. Many thousands of pounds of loan money have also been spent in the State coalmines, but, irrespective of what fund the money is being expended from, a considerable loss has been experienced in that undertaking. I want to read an extract from the "Wild Cat" column of the Sydney "Bulletin" of last week in this connection—

"The Theodore Government's policy of nationalising the coal industry has badly pinched good unionists in the Blair Athol collieries; the operations of the State mines at Baralaba and the Styx have meant ruination to that field. Of course, neither of the State enterprises is working at a profit, but a desperate effort is now being made to put the Bowen State colliery on a payable basis. Blair Athol collieries can mine so much cheaper than the Styx and Baralaba that, despite heavier freight charges, they could secure the local market if the two former had to trade on their own merits. As it is, Blair Athol returns are beggarly now; the pits turned out only 2,493 tons for June, and miners are lucky to get more than two shifts per week."

Here we have the trust funds of the State, in addition to moneys expended from the Loan Fund, being invested in a losing proposition, and the loss being footed by the taxpayer. That is not the only thing that has happened, for the Blair Athol miners are only working two shifts a week by reason

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of the interference of the Government in the coal industry. The efforts of the Government in State trading in coal have been very unsuccessful, notwithstanding their experience in regard to the Warra coalmine. The Government have also had other experiences with coalmining, and, although they are unable to make advances to settlers, they are able to expend trust moneys to the extent of £141,000 a year on these losing mining ventures. They are restricting advances to settlers, alleging the cause to be financial stringency.

Mr. HARTLEY: And they are saving £50,000 per annum in the coal bill of the Railway Department in Central Queensland.

Mr. KERR: I shall deal later with the alleged saving in the coal bill. It is all very well to say that one particular asset of the State is helping another; but if you take the whole of the returns of the State, including rents of land and other things, it will be found that none of them makes up the interest on the public debt, the loss on State enterprises, or the waste of trust funds. Taking one return with the other, I am unable to see any compensating factor, and I should like the hon. member for Fitzroy to show where it exists.

The TREASURER: What about the £50,000 a year saved by the Northern system of railways through using Bowen coal?

Mr. KERR: I admit that the Government are making a strenuous effort to make the Bowen coalfield a success, but no one has yet seen any definite benefit to the State.

The TREASURER: The Railway Department is saving £50,000 a year through the Bowen coalfield.

Mr. KERR: I want to know how much the Railway Department is losing over Blair Athol.

The TREASURER: It is losing nothing.

Mr. KERR: Yet it is only possible for the Blair Athol mines to work two shifts a week.

The TREASURER: The State mines at Styx and Baralaba also supply coal to the Railway Department.

Mr. KERR: We know that the coal of Styx and Baralaba is being mixed to-day, and it is not giving every satisfaction. In letters written to papers, the enginemen state that the wear and tear resulting to engines from the use of this second-rate mixed coal is costing thousands of pounds a year.

Mr. HARTLEY: Who says that?

Mr. KERR: The "Railway Advocate."

Mr. HARTLEY: A few engine-drivers who have an interest in Blair Athol.

Mr. KERR: I do not know that that is right. I am not an authority on this matter except that I have received my information from experienced men. We gain our knowledge by reading. The hon. member will have an opportunity of presenting his facts during this debate. The letters published in the "Railway Advocate" are used by me as my basis of information.

Mr. HARTLEY: And you call them facts!

Mr. KERR: That paper calls them facts. We have to accept as facts a certain amount of what we read.

Mr. HARTLEY: Take my tip—when reading any Tory paper, deduct 99 per cent. as being other than facts.

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Mr. KERR: This is not a Tory paper—it is a Labour paper—the workers' paper. That is one thing that is causing the drift to the city. There is no doubt that this indiscriminate spending of money causes to a great extent the drift to the city, and the Government must take their share of the blame. The list I shall quote will emphasise the gravity of the position.

POPULATION STATISTICS, QUEENSLAND.

Cities.

1911 census ...	141,565
1921 census ...	214,076

An increase of 51.2 per cent. to the cities.

Towns.

1911 census ...	90,518
1921 census ...	125,345

An increase of 38.5 per cent. to the towns.

Shires.

1911 census ...	368,292
1921 census ...	423,859

An increase of 15.41 per cent. to the shires.

The Government should do whatever they possibly can to stop this drift to the cities. I venture to say that, if the Government caused all the money that is at present being wasted to be diverted to the use of the farmers of the country and made sufficient advances and allowances to create extra work on those farms, it would result in the sons of farmers and many others being retained in a prosperous condition on those farms. Rather they are restricting advances to farmers, and the result is that the young fellows on the farms have not the money to make improvements, and they have to drift to the cities. One would not think that in this year 1924 the Government would have spent less in advances to farmers than they spent in the year 1916. In that year the Government spent £414,187. In the subsequent years the amount advanced was less and less until in 1921 it was £240,000. In 1922 the amount increased to £251,000, and in 1923 it increased to £355,000, while in 1924 it amounted to £412,000. That is, the amount advanced to farmers is less to-day than it was in 1916, and the absolute result shown by the census is that there is a drift to the cities.

The Government are encouraging that drift to the city rather than encourage the people to remain on the land by giving advances to the farmers. Primary production is of paramount importance to this State, and it should be encouraged by giving advances to farmers; but, instead of doing that, the Government are restricting these advances and are spending loan money and trust money in another direction which is no good to this State, and which has the effect of decreasing employment.

We must acknowledge that sometimes the battering of the Opposition against the Government has a good result. In this Chamber during the last fortnight the leader of the Opposition and various other members on this side of the House have complained that the Agricultural Bank Act of 1923 has not been proclaimed, although passed last session. What do we find? Because the leader of the Opposition and various other members on this side have tackled the Government on this question there is a statement in the papers this morning proclaiming that the Act is to be put into force.

Mr. BARBER: What bunkum!

Mr. KERR: Although the Act was passed twelve months ago, the Government never proclaimed their own legislation; but, as a result of the criticism of the Opposition in the House during the last week or two, the Government have decided to put the Act into operation. But what do they do? According to the Act, £1,700 is the maximum amount of advance to farmers, and the Secretary for Agriculture makes this extraordinary statement—

“It is necessary for funds to be used in the best interests of the State.”

Did you ever hear such a thing in your life? After ten years, it is about time for the Government to make that statement—the most extraordinary statement I have ever heard. It is time they spent money in the best interests of the State. Instead of allowing an advance of £1,700, as provided by the Act, they state they are limiting the advance to £500. What is the good of passing an Act if you are not going to carry it out? Financial stringency! That does not enter into the question when the Government want to spend tens of thousands of pounds on State enterprises. The Government have spent something in the vicinity of £700,000 on the Chillagoe State smelters, and, if this money had been advanced to the settlers, there would not be any necessity to talk about financial stringency. The Government can spend tens of thousands of pounds in unwarranted channels to-day; but, when it comes to giving farmers the benefit of the legislation passed, they say, owing to financial stringency, they are only allowed to advance up to £500. You cannot get away from these facts. While they are restricting advances to settlers on the land, the Chillagoe smelters show the enormous debit of £725,000 to the Trust Fund. The trust money which should have been advanced to the settlers has been spent on the Chillagoe smelters. While this financial stringency allegedly is on, workers' dwellings and other things should stop. How is it, while this financial stringency is on, that they are able to expend from Trust Fund on that State enterprise the following amounts—

	£
1920-21	300,000
1921-22	248,000
1922-23	321,000

And last year—the financial stringency year—they were able to spend trust money to the extent of £420,000 on the Chillagoe State smelters. That is more than the farmers in Queensland received in advances. This is where the policy of the Government is wrong—the money should be given to farmers. What is more, the farmers pay the full interest and redemption, and there is no loss, as there is in the other case. The loss on the working of Chillagoe last year was £26,000, and the unpaid interest in addition was £32,000. These concerns are not able to pay interest, and taxation has to be imposed to make up the loss. But it does not stop there. The statement is made that there is some benefit to the Railway Department from the Chillagoe smelters, but the fact is overlooked that there is a railway rebate of 50 per cent. allowed, which means a gain to the Chillagoe smelters of over £9,000 a year. The railways are not gaining by these State smelters. As a matter of fact, the railways are carrying the baby for them; and, in addition to the smelters losing money, the Railway Department are losing their ordinary dues because of this rebate of 50 per cent.

There is another account that I desire to refer to—the Harbour Dues Fund, which is indebted to the extent of £50,000. If the Trust Accounts are amalgamated as indicated by the Treasurer, I would appeal to him that at least the receipts from harbour dues should be spent on the harbours instead of being spent in these wild-cat schemes of the Government. It is only reasonable that any surplus receipts from harbour dues should be used, for instance, in our own river. Private enterprise in Brisbane has assisted to make this harbour, as well as the Government, and there are good metal quarries in my electorate which have been used in this direction. The metal is carried on the river. There is a surplus of receipts over expenditure in connection with harbours, but it is being expended in State enterprises, and our river is being neglected as well as the interests of the settlers.

I want to show the difference between the 1914 method of financing and the 1924 method. In 1914-15 there was an expenditure on harbours of £158,549, and a revenue of £103,716. We spent £54,000 in 1914 more than the receipts, but to-day, when the expenditure is £81,000 and the receipts £95,000, or £14,000 above the expenditure, the Government are spending something like £77,000 less on harbours than was spent in 1914. The shipping to-day wants a great deal more attention from the Government in regard to harbour facilities. Our harbour to-day in Brisbane is an absolute disgrace. We have not got the necessary docks for ships, and, while the revenue is greater than the expenditure, we find the Government taking the surplus revenue from the harbours and spending it in State enterprises of a losing nature.

Mr. COLLINS: What about Mount Morgan? That is private enterprise.

Mr. KERR: You cannot get away from those figures. We have a statement also—I think by the Secretary for Public Works—in regard to an efficient Trust Account—it is in regard to unemployment insurance. Even the “Daily Standard” states that the excess of receipts over disbursements on 30th June last was £124,000. Last year the expenditure on unemployment insurance was £165,000 and the receipts £229,000, or a credit in that year of £64,000. While the Trust Accounts are in such a bad way, I am not going to be an advocate at [10.30 a.m.] this stage for extending benefits under the unemployment insurance scheme, but we have there allegedly a surplus of £124,000, which has been taken from industry, from employees, and partly from the Government. In my estimation that money should not be spent upon State enterprises, but should be used to reduce the payments by the employees. I have seen some of the books of the employers. Talk about a stamp album! Talk about a picture gallery! I have never seen anything so entertaining as this Unemployment Insurance Fund. People will say that it is not a great hardship to make the payments, but these continual pin pricks will react in the long run, and opportunity should be taken to give back to industry some of that £124,000 which has been accumulated in a few short months over a year. The money is there. It is not required by the State.

Mr. WINSTANLEY interjected.

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Mr. KERR: It possibly is. If this fund were kept separate—and in my opinion it should be kept separate—it would not be so easy to use it on enterprises which are losing money. It is no wonder that the institution of a 44-hour week is a difficult matter. Is it any wonder that the Government have to reduce the salaries of their servants by 5 per cent.? Why is all this money being spent in this way, when tens of thousands of pounds are being lost annually? There is only one way to tackle the problem, and that is to sell all the State enterprises which can be carried out by private industry. The State should only embark upon an enterprise when it cannot be undertaken by private individuals. To keep on the mines and assist the prospectors in mining in all directions and keep them going year after year means that we are pouring the funds of this State into a sink.

Just in conclusion I want to point out generally that last year the estimated expenditure was £13,057,063, but the Government exceeded it by £358,269. That is to say, they overspent by that amount. On the other hand the estimated revenue was £13,064,100, and the actual revenue exceeded the estimate by £363,939, and we were able to show a surplus of only £12,707. No money was paid to the trustees of the Public Debt Reduction Fund, apart altogether from the fact that the sinking fund payments were suspended between 1918 and 1922. The present Government have never been able to reduce their public debt. The Commonwealth Government are doing it. Every other State in Australia is doing it. This Government unfortunately amended the Act so that they are not compelled by law to make the payments, and the result is that to-day we are not making any progress in the reduction of our debt.

The TREASURER: What does the hon. member mean when he says that we have made no effort to reduce the public debt by way of sinking fund arrangements?

Mr. KERR: The Government suspended the payments, and there is only one way to reduce the public debt apart from them, and that is to pay the surplus of revenue over expenditure to the trustees of the Public Debt Reduction Fund.

The TREASURER: The hon. member said that every State but Queensland is doing it. How much has Western Australia done in the last 10 years out of surplus revenue?

Mr. KERR: At the same time they are appropriating money from time to time to wipe off the public debt. The same thing has not been done in Queensland. There is only one way to wipe it off, apart from sinking fund arrangements, and nearly every year before this Government came into power a certain sum was paid to the trustees. This Government have done nothing except pay about £145,000 in one year.

I recollect that quite well. The Government were not game to tell the people of Queensland that they had a surplus of so much, so they covered it up by paying a certain amount to the trustees of the Public Debt Reduction Fund.

The TREASURER: That is an absolutely erroneous statement.

Mr. KERR: I made the statement that the sum of £145,000 had been paid to the trustees of the Public Debt Reduction Fund to reduce our public debt. That statement is correct.

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The TREASURER: It is absolutely incorrect to say that there was an unsewn surplus.

Mr. KERR: Mr. Fihely was Treasurer at the time that the £145,000 was paid to the trustees, but there was a considerable amount of unemployment in Queensland, and, if the Government had disclosed the surplus of £145,000, there would have been a pretty big squeal from somewhere. What did the Government do? Instead of showing that amount as a surplus, as any other Government would have done, they paid a considerable amount to the trustees of the Public Debt Reduction Fund—a most unusual thing—and actually showed the very small surplus of £9,000.

The TREASURER: The hon. gentleman is entirely wrong in stating that there was such a payment to the trustees of the Public Debt Reduction Fund.

Mr. KERR: I make the statement again.

The TREASURER: I am one of the trustees, and I assure the hon. gentleman that he is wrong.

Mr. KERR: If that amount was not paid to the trustees of the Public Debt Reduction Fund, will the Treasurer say to what account the money was paid?

The TREASURER: If the hon. gentleman will read the Financial Statement for the following year, he can ascertain that for himself.

Mr. KERR: Did that amount go towards the reduction of the public debt?

The TREASURER: It went to liquidate some of the deficits in the public accounts.

Mr. KERR: Exactly the same thing.

The TREASURER: No.

Mr. KERR: What are deficits after all is said and done? They are all tacked on to the public debt.

The TREASURER: The deficits are like overdrafts. The hon. gentleman a moment ago called attention to the fact that the Government liquidated certain deficits. There are other deficits that we will liquidate later on.

Mr. KERR: I cannot for the life of me see how the Government are going to liquidate deficits if they are going to spend the money in the way they have been doing.

The TREASURER: The transaction mentioned by the hon. gentleman was not carried out by the trustees of the Public Debt Reduction Fund, but was carried out by the Treasury.

Mr. KERR: That is what I said.

The TREASURER: The hon. gentleman did not.

Mr. KERR: My point is that £145,000 could have been very well shown as a surplus for that year.

The TREASURER: The hon. gentleman on the one hand criticises the Government for showing a deficit, and on the other hand criticises the Government for showing a surplus.

Mr. KERR: I am not doing anything of the kind. That £145,000 was paid to miscellaneous accounts—put it that way—instead of being shown as a surplus.

The TREASURER: The hon. gentleman knows that this year it is intended to liquidate some of the accounts, as is shown by the Financial Statement.

Mr. KERR: Yes. Some of the Loan Fund to credit in the bank is being used as an overdraft for trust accounts.

The bell indicated that the hon. gentleman's time had expired.

Mr. FOLEY (*Leichhardt*): I do not intend to deal with many items in the Financial Statement, but I desire to make a few remarks mainly for the purpose of dealing with the position generally and possibly putting forward a few suggestions. I must agree with hon. members on the other side, that the position as outlined in the Treasurer's Financial Statement is a serious one, and one which should give hon. members on both sides a good deal of food for thought. One has to consider seriously the small estimated increase in revenue for the financial year, our increased interest bill, and the fact that, whilst in 1914-15 the interest charge on revenue amounted to 3.92 per cent., it amounts to-day to 16.8 per cent. We have to remember that our loan expenditure is restricted, local authorities with important projects in hand are compelled to mark time, urgent necessary requirements for the railway service are held in abeyance, expenditure on school construction is restricted, and practically every Government department has to wait until the position is more favourable before proceeding with important projects.

Notwithstanding that position, I cannot agree with the hon. members opposite that the Government are mainly responsible for the present financial position. The hon. member for Warrego struck the right note on Friday last when he mentioned that previous Governments paid very little regard to the difficulties they were imposing on the Governments of to-day when they arranged for their loans to fall due altogether. It is because of that fact that the Governments of to-day are suffering such inconvenience. That fact, combined with the difficulties of exchange—which hon. members are aware affect not only the Government of this State but Governments of all the other States and practically every Government in the world—has compelled the Government to face the present position.

During the course of the debate, hon. members opposite have referred to the mission of the Treasurer to London, and have denounced the conversion terms that he arranged for the loans falling due. This was a matter that was well thrashed out in the debate on the Address in Reply, but some hon. members insist on harping upon it. I consider that the Treasurer did much better than most men would have done in the face of the circumstances he was confronted with overseas. The campaign of the Treasurer to break down the opposition in London was watched very carefully by me. I watched it from the time that he appealed to the country in defiance of the financiers of London and brought his party back as a Government, to the time when certain resolutions supporting him in his stand were carried at the Emu Park Labour Convention, and his efforts in practically every public statement since, where he had an opportunity to touch upon the question, to break down the financial opposition on the other side of the world. I might mention that he got very little assistance from the financial institutions in this country. We all know what the arrangements are, and, in my opinion, the terms are much better than I expected they would be

when the Treasurer left Australia. When dealing with questions of this sort, one must recognise the enormous power that the money lords possess over Governments. To put it quite plainly, Governments, whether they be Labour Governments or National Governments, only possess nominal power. The real power depends on the ownership of wealth, and the money lords in London, Europe, and America are really the controllers of the wealth of the world. Consequently they possess real power in the world to-day, and can wield that power over any Government passing legislation which to any extent affects their interests. It is interesting to consider the terms that the Treasurer was so successful in arranging, and compare them with the terms imposed in 1907 on Mr. Roosevelt, then President of the United States of America. Many people, no doubt, have forgotten that incident, but at that time Mr. Roosevelt was dealing with the Yankee trust combine. He was successful through the Supreme Court of America in prosecuting the Oil Trust and having inflicted upon it penalties to the extent of 29,000,000 dollars. The result on that occasion was that the trusts, the Standard Oil Company's banks under Rockefeller, the Steel Trust under Pierpont Morgan, and the Beef Trust under the Armour Company, entered into an alliance against President Roosevelt. I shall point out the terms that they forced upon the President, and the people of Queensland will then be in a position to compare those terms with those which the Treasurer of Queensland was successful in arranging against just as strong an opposition as was levelled against President Roosevelt in 1907.

The combined trusts were so successful, by closing or threatening to close the banks throughout America, that they compelled President Roosevelt to meet them, and they laid down these terms—

"(1) That Roosevelt drop his anti-trust campaign;

"(2) That no effort be made to collect Standard Oil fines;

"(3) That no further action be taken against trusts or combines controlled by Rockefeller, Morgan, or Armour;

"(4) That portion of the Sherman anti-trust regulation be dropped;

"(5) That money previously paid into the Federal Treasury for bonds be left on deposit at private banks."

The "New York Herald" of 25th November, 1907, had this to say—

"Roosevelt has received his lesson, and we shall hear no more of his attack upon trusts."

The London "Daily News" of 6th December, 1907, said—

"The trust magnates hardly seemed to have moved a finger, yet they have made their power felt throughout the civilised world. They have made no sacrifice, but on the contrary will emerge wealthier men than before! They have brought the most powerful Government in the world to its knees, and have forced it to suspend certain laws, and have made it promise not to interfere with them any more."

When one makes that comparison—and the odds in each case were practically similar—one must agree that our Treasurer's visit to London was a most successful one. The

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recent illustration of the opposition to our Treasurer of the financial lords, and the better illustration in America away back in 1907, brings us to the question, "What are we to do to get from under the enormous power wielded over us by the financial lords of to-day?"

In my opinion, there is only one thing for Australians to do, and that is to be successful in establishing a Labour Government in the Federal arena and so secure control of Federal insurance and finance generally. Many may say that that is an impossible task. At this stage I am not quite clear as to the powers the Federal Constitution allows a Government in regard to nationalising finance in Australia. For the information of hon. members, I shall quote an extract from the "Labour in the New World," written by Mr. Philip Snowden, the present Chancellor of the Exchequer in England. He deals with the matter and points out that really the problem is not quite as large or formidable as would appear at first sight—

"NO EXTRA COST BY ACQUISITION.

"Share capital raised by joint stock companies is just as much a debt as would be the capital raised by the State for the acquisition of, say, the banking and insurance.

"There is no real difference between the debt owing by a joint stock company and a debt that would be owing by the State on bonds and shares if issued for the acquisition of a business concern.

"If the State owned the mines, railways, or the whole of our industrial concerns, there would be no increase of debt.

"The State would have assumed the position of the companies, and would have accepted their responsibility for the capital that was subscribed by private individuals.

"It might be asked what advantage the State would gain by acquisition of industries, banking and insurance.

"I might first beg the question by asking what advantages capitalistic Governments and municipalities and public bodies controlled by business men have perceived in pursuing the policy of nationalisation and municipalisation in the past?

"By stopping for the future the profits beyond a fixed rate of interest going into the pockets of a few private individuals, at the expense of the community.

"Each year there is an enormous tribute levied upon the community in the form of rent and interest and profit."

The hon. member for Warrego outlined quite clearly the enormous profits that the banking and financial institutions of this State were extracting from the people, and, although we must admit that it is rather a big task for any Government to undertake, the task must be undertaken if the people of Australia wish to make any advance towards emancipation or towards the perfect State. When banking and finance have been nationalised by the Commonwealth Government, a great deal more can be done to bring about better results for the workers of Australia. As a result of their control of finance, they would have power to finance the workers in the acquiring of the industrial concerns of Australia. The factors

which really constitute the real power in society to-day are the control of finance and the control of industry. If you do not possess control of both these factors, the Government really possess no power, or have only what can be termed a nominal power. The power possessed by those having control of finance was emphasised quite recently in England when the Allies were conferring as to the best methods of bringing about stabilisation in Europe and putting the European countries in the way of becoming better organised than they are at present. They were told by the financial organisations through the Press that, unless certain definite arrangements were made at the conference and agreed to by France and Germany, no loan would be forthcoming to assist Germany and the European States generally. Then just recently, on the eve of the signing of the trade agreement with Russia, we again had an illustration of the power of finance to dictate to the British Government, or at least to try and influence them against making any agreement with Russia until such time as certain arrangements were made by Russia with certain bondholders in England.

What I wish to discuss is the position in Queensland to-day, and I am pointing out by illustration the effect of the money power on this State in particular, and I also wish to point out what is being done by the Labour movement in Queensland to put the workers on a better basis than they are at the present time.

Take the union movement as an illustration. They have concentrated on organisation for a number of years, but while building up their organisation, they have mainly concentrated upon adjustment of wages and the bettering of conditions by the reduction of hours and other methods in the workshops, fields, and factories. Then we have the Trades and Labour Council, which is really a body represented by the bulk of the unions in Queensland. In regard to that particular council, Mr. Tim Moroney, one of its prominent members, points out that it really is only what could be termed a disputes committee; it has practically no power to do anything for the workers, and its function at the present time is to adjust disputes between union and union or between unions and employers. Now Tom Mann is quoted in the "Standard" of last night and the "Daily Mail" of to-day in the cable news as having been prominent in what is known as the "National Minority Movement" in England, and he emphasises the point that I am coming to by pointing out that the unions of England—and the same applies to Australia—have overlooked the main object—that is, the controlling of industry, and that is what they are concentrating on now in the new movement over there. There is a tendency for union leaders to throw the onus on the Government of doing things which could be well done in many instances by themselves. As I have emphasised, very little has been done or attempted by unionism in Queensland towards acquiring the control of industry. On the other hand, Labour in politics has concentrated mainly upon passing legislation, which, no doubt, is necessary for the governing of the State, and at the same time doing what it can to assist not only the industrial section of the community but also the primary producers. But I would point out that the Queensland State Labour platform has practically been put into operation by

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the Labour Government. The fifth plank in the fighting platform with regard to the initiative and referendum, has not been attempted yet, but it is only a principle, and does not to any great extent affect the industrial condition of the workers.

[11 a.m.]

The seventh plank is, "Improved system of land settlement." That has been attempted by this Government. The others are—

8. A 44-hour week—that is in the programme for this session.
 9. A workers' homes scheme—already put into operation.
 10. Organisation of farmers for protection against middlemen—already in operation.
 11. Co-operation in agriculture—already put into operation by the Government and going strong.
 12. Extension of education.
 13. Suppression of "wild-cat" companies.
 14. Baby clinics and maternity hospitals.
 15. State supervision of insurance companies.
- All those planks are practically in operation.
17. Liquor reform.
 18. Protection of State against slanders of newspapers and politicians.
 19. Amended Jury Act—already in operation.
 20. Right to work and unemployed insurance—unemployed insurance has already been placed on the statute-book and is working satisfactorily.
 21. Water conservation—that has been attempted.
 22. State or co-operative sugar-mills—already in operation.

And so on. If we go through the other separate headings of our platform, it will be found that the great bulk of it has been put into operation since we have come into power.

The point I am coming to is the fact that this session's programme contains only two industrial measures. One is the 44-hour week and the other is the Apprenticeship Bill. The remaining items are no doubt necessary for the carrying on of State affairs and for the making of the machinery of government work more easy, but that point stands out—that only two industrial measures are to be dealt with this session.

One might ask, "Why are there only two industrial reform measures in our programme?" The answer is quite plain to most hon. members. It is that industrial and social reforms depend upon finance, and apparently, according to the Financial Statement which has been presented, financial conditions will not allow us to go any further at present.

Another point arises. Has the Labour movement in Queensland reached a dead end? That is only a fair question to ask when one reviews the whole position as I am attempting to do. I, for one, am not pessimistic enough to adopt the attitude that it has done so, but I must admit that temporarily at least there is a hold-up, and that in the future we must take different steps and adopt other methods towards progress, or stagnation will set in and very little advance in industrial and social reform will be possible. Here I have a suggestion to

offer which I think is workable and could well be taken up by this Government and the union movement outside. It is that some steps be taken by the unionists to help themselves, with assistance by this Government. What I have in mind is this: A little while ago, when the Premier laid down a scheme of organisation for the primary producers, a large amount of public money was provided for their assistance, with the result that we see what is known as the Council of Agriculture and several hundred Local Producers' Organisations, or units of the scheme of the Primary Producers' Organisation, throughout the State. Those units are receiving in various parts of the State assistance from the Government for the purpose of co-operation. What is wrong with the unionists of this State making a step in a similar direction? The object of the farmer is to acquire control of his industry. It would be impossible for the workers of this State to acquire control of industry by any other method than that which is being adopted by the farming community of Queensland. They are gradually acquiring control of their industry and building up huge organisations all over Australia, whilst on the other hand the large body of workers—unionist members to the number of over 100,000 registered in Queensland—cannot claim ownership of assets to any extent whatever.

Mr. COLLINS: They own two newspapers.

Mr. FOLEY: They own two newspapers, but that, although quite a worthy project, is different altogether from what I have in mind. Those newspapers are continually advocating the control of industry by the workers, but no steps are being taken by the workers towards that end. Personally, I claim that co-operation by the workers, assisted by the Government by way of loan to finance their projects, will bring about the complete control of industry. We have in other parts of the world illustrations of what the workers have done by way of co-operation, and it must be admitted that they are much more advanced as regards the control of industry than we in Australia. Mr. Saxton, the newly-elected president of the British Co-operative Societies, in his inaugural speech, gives a brief outline of the assets the workers have built up in the British Isles. He is thus reported—

"In a few brief sentences, he traced the growth of the co-operative movement. To-day it has over four and a-half millions members. Its share capital in 1922 was £81,629,702; and its retail trade amounted to £169,582,357; whilst at that time its stock was valued at £33,049,622; while the reserve funds were £10,912,636, and the net surplus £15,195,008. The total number of workers was 153,195."

I have here also some other information from another source, but it is rather longer than the extract that I have read. It points out that, although the movement has been a long while in building up the assets which I have mentioned, still their magnitude is evidence that workers have some say in the carrying on of the business concerns of the United Kingdom.

There is another point that I would like to bring forward and emphasise. Personally I believe it is true. While attending a lecture on co-operation many years ago at the Socialists' Hall in Sydney I heard an advocate of co-operation trying to convince the

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socialist movement in New South Wales that co-operation was the best method for them to adopt. He stated that, if the unionists of Australia were to pay their yearly wages over the counters of their own co-operative retail stores, they would accumulate in twelve and a-half years sufficient funds and reserves to acquire the whole of the retail distributing and productive agencies of Australia. That was a big statement to make, but he based his statement on the progress made by the co-operative movement in Australia. When it is all analysed, it is found to be not such a great sacrifice on the part of the 100,000 unionists in Queensland to contribute towards this end so as to acquire, first, the co-operative retail agencies throughout Queensland, and later, as their assets and reserves grow, to go further into the co-operative arena. A levy of 3d. per week would raise £25,000 in a year, and that sum, subsidised by the Government on a two-third basis by way of a loan, would give them a considerable sum and a good kick off. If they were to levy on themselves a shilling per week, they would raise £100,000 in the year, and that sum, subsidised by the Government on a two-third basis by way of a loan, would give them £300,000, which would be a very considerable sum and would go far towards giving the workers a step in the direction of the objective of the Labour movement in Australia.

Seeing that I have referred to the Council of Agriculture and the efforts of the Government in appointing that Council for the purpose of putting the farmers on the right road co-operatively throughout Queensland—it is also recognised that the farmers themselves are doing good work through the Council of Agriculture—I would ask what is wrong with the establishment by the Government of an Industrial Council composed of representatives from our industrial organisations for the purpose of first confining its activities mainly to propaganda, organisation, investigation, and acting in an advisory capacity to the Government in connection with any projects that may be recommended? I think it is up to the Government seriously to consider something along those lines. There is no getting away from the fact that the Financial Statement as presented by the Treasurer gives food for serious thought, and the more one analyses it the more one recognises that something has got to be done if we intend to advance any further towards the objective of unionism and labour generally in Australia.

The hon. member for Enoggera made some remarks concerning the Blair Athol colliery. I do not intend to deal with his remarks, but I would point out that one of the things that could be attended to by the Government and which would have a big bearing upon the finances of the State in the near future is the building up of an export coal trade. Up to date it has been practically impossible for the Government to act, and it has also been impossible for the mining companies to do much in that respect. As mentioned by the hon. member for Enoggera, Blair Athol has one of the largest coal seams in the world. On investigation I find that the reports of the General Manager of Railways in Central Queensland are in favour of the use of Styx River and Baralaba coal as against Blair Athol coal for the Rockhampton dépôt. I am not going to argue that matter just now; but I would point out,

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as I have emphasised before in this Chamber, that it is possible to produce coal from that seam at a very low cost. With some assistance from the Government by way of a rebate on freights, or a further reduction in freights so as to enable coal to be landed at port by way of a trial, we could then see if it is possible to build up an export trade, which I feel sure would be a good move for Queensland generally. Those who have followed up the export trade of America and how it was built up over a number of years until it practically equals the coal trade of the United Kingdom can easily see the advantages that would accrue to this State. At the present time we are receiving no royalties whatever on export coal from the Blair Athol coal seam, and we are only receiving royalty on a few thousand tons in connection with the local coal trade. The Government could easily forfeit by way of reduced freights the royalties that they would receive if a big export coal trade could be built up from some port in Queensland. That is the only hope for that portion of the State. If something is not done along those lines, Blair Athol might as well close up altogether, because at the present time it is living in misery on one day's work a week. The only solution for Blair Athol is the building up of an export trade with the East. Mr. Cohen, in his address here last week, pointed out the advantages of organisation in connection with the building up of a trade with the East. During his address he mentioned the coal trade, and pointed out that it was possible to place large supplies of coal in the eastern markets provided there was an organisation to do it. With some assistance from the Government, and with an effort on the part of the mining companies at Blair Athol in the direction of a reduction in the production costs, I feel confident that an export trade can be built up which would mean a big thing for the State and would have a big bearing upon any future Financial Statement.

At the present time a good deal is being done and said in union circles in connection with the unemployment problem. I understand that some steps are being taken to hold a conference to see if it is not possible to lay down some definite plan for presentation to the Government whereby this problem can be solved. Personally, I wish them the best of luck in their deliberations, but I want to say that I have read quite a number of books authored by master minds on social problems, and the unemployment problem appears to me to beat the whole lot of them, and how it is possible for us to solve it completely I do not know, though it may be possible to do something towards minimising the effect. The Unemployed Workers Insurance Act has no doubt assisted considerably in minimising the effect of unemployment in the community, but I think more could be done by the Government with co-operation on the part of the workers, when the position is favourable, in the direction of carrying out irrigation works, and at the completion of that work those engaged thereon could be established at the place instead of having to leave the job and go on the unemployed market as they have to do at present.

I understand that a scheme was presented to a previous Government by one of their irrigation experts under which it was proposed that through a co-operative arrange-

ment between the workers and the Government something could be done along these lines. That appears to me the most practical way of dealing with the unemployment difficulty. While I do not agree with the hon. members opposite in their remarks on the administration of the Government, I have at least to agree with them up to a point.

OPPOSITION MEMBERS: Hear, hear!

Mr. FOLEY: The administration of the Government, however, is much better than it has been under previous Governments.

Hon. M. J. KIRWAN: No "hear, hears!" now.

Mr. FOLEY: I earnestly suggest to the Government that some steps be taken in the Departments of Public Works and Railways, and other departments, too, along the lines adopted in various parts of Britain to-day. There are in existence there bodies that are known as shop steward committees. The movement is approved of by the Labour movement, and is doing a great deal of good work for the union movement in bettering the conditions of the workmen in the workshops. I do not argue that by giving the workers some say in the control of industry it is going to solve the unemployment problem; but I have mentioned the fact as a step that can be taken towards bettering the administration of this State by the Government, and we could advance a great deal in that direction by giving the workers employed by the Government a share in the control of the work on similar lines to those which have been adopted by the Government and private concerns in Great Britain.

Mr. KING (*Logan*): I quite agree with the hon. member for Leichhardt, who stated that the Financial Statement gives us very serious food for thought. It is refreshing to hear an hon. member on the Government side say that there is plenty of room for improvement in the administration by the Government.

OPPOSITION MEMBERS: Hear, hear!

Mr. KING: I have not only carefully perused the Financial Statement, but I listened attentively to the Treasurer when he was delivering it. I regret to say that in it I cannot find any hope for comfort so far as the future progress or development of this State is concerned. There is no progressive policy outlined in it for the establishment of secondary industries or the development of the primary industries of the State. We have, on the one hand, the Secretary for Agriculture, as Acting Premier, stating that the future success of the State depends upon the encouragement of the primary industries, and on the other hand the Secretary for Mines remarking in the course of an interview in Sydney that our only hope of salvation is in the encouragement of our secondary industries. We want to encourage to the utmost of our powers both our primary and secondary industries if we desire to make any progress whatever. There does not seem from the Financial Statement to be any prospect of lessened taxation on the already overburdened taxpayer, but on the contrary it seeks to impose more taxation. The Government do not seem to possess any progressive policy with respect to the requirements of the local authorities for the development of their areas and the carrying out of their proper functions. The Financial Statement is a drab and colourless one, and does

not in any degree coincide with the policy put forward by this socialistic Government when seeking the suffrages of the people. It shows that they find themselves up against a financial brick wall. Late in the day they have found that their extravagance and financial profligacy have led to the only dead-end possible. They now practically admit that they have come to the limit of their powers of taxation and can bleed the taxpayer no more. In 1905 the Philp Government brought down certain taxation proposals, amongst which was one which had for its purpose increasing the stamp duties from 1d. on a graduated scale up to 6d. The matter went to a vote, and the Philp Government only had a majority of two, the voting being 33 to 31. There were no proxies then in existence. The Government under those circumstances would not carry on with a majority of two. How very different to the present Government! On that occasion the Government hoped to raise a little extra money by increasing the taxation on receipts, and here we have a similar proposal. The Government in this instance hope to raise a little extra money, estimated at some £25,000, by increasing the stamp duty on cheque forms. It is quite possible that what happened in 1905 may happen here. Small beginnings very often have large endings. We do not know but what this little bit of increased taxation may bring about the downfall of the Government later on. This increased taxation is trivial, and is going to put a tax on the thrifty man and small trader who happen to have a banking account. It is not going to affect the large financial man to any great extent.

The financial year showed a small credit balance of £12,707. The Secretary for Public Lands, who was Acting Premier when this result was announced, commented on this wonderful surplus and sought to derive a great deal of satisfaction as a result. He, however, admitted that care and prudence would have to be exercised in the future. His idea of prudence and mine may not agree. He would have us believe that his so-called prudence has been practised by the Government in its wild, reckless, orgy of maladministration of the last nine years. I am afraid that the majority of sensible business men would not agree with his idea of prudence if it involves a continuation of that policy.

I want to show how this wonderful surplus has been brought about. Last year the Treasurer estimated the revenue would be £13,064,100, while he actually received £13,428,039. That showed an excess of revenue over the estimate of £363,939. The expenditure was estimated at £13,057,063, while the amount actually expended was £13,415,332. That shows an [11.30 a.m.] excess of expenditure over the estimate of £358,269. The Treasurer went all astray in both estimates, and, if the estimate of revenue had been anywhere near the mark, the result would have been a deficit of £351,232, because the estimated revenue was £13,064,100 and the actual expenditure was £13,415,332.

The TREASURER: On the same assumption, if we had realised the actual revenue and kept within the estimated expenditure we would have had a surplus of £370,000. See how foolish the argument is! If we had not received higher revenue we would not have incurred higher expenditure. We have met

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certain charges. Apparently the hon. gentleman did not listen to or read the Financial Statement. The matter is set out quite clearly there.

Mr. KING: On such a basis it would have meant deficits of over half a million in two years.

The TREASURER: If certain eventualities had happened, we might have had either £1,000,000 of a deficit or a surplus.

Mr. KING: Deficits have certainly been the rule of the present Government. Only in six departments has expenditure been curtailed and been less than the previous year, while there are increases due to railway activities and the constantly increasing interest on the public debt. Added to the departmental outlays and interest on the public debt, expenditure from Trust accounts to the extent of £6,642,000, and £4,650,000 from the Loan Funds, we find that the Government have been responsible during the last twelve months for the disbursement of nearly £24,750,000, the greater part constituting additional burdens on the unfortunate taxpayer. I have a table showing—

TAXATION PER HEAD.

	£	s.	d.
1914	...	1	8 0
1924	...	4	9 2

An increase of nearly 216 per cent.

Let us see for a moment how the record of taxation has been increased. The following list will be of interest:—

INCREASE IN TAXATION.

RECORD OF TAXATION.

	1906 to 1915.	1915 to 1924.
1906-07	540,737	1,455,358
1907-08	525,541	1,564,045
1908-09	535,194	1,761,333
1909-10	584,997	1,918,19
1910-11	687,196	1,919,20
1911-12	787,577	1,920,21
1912-13	806,677	1,921,22
1913-14	887,798	1,922,23
1914-15	954,457	1,923,24
Totals for 9 years	6,290,174	24,927,674

Estimated taxation for 1924-25 .. £3,769,000

That is a record of taxation which shows an increase in those nine years from £6,290,174 to £24,927,674—a tremendous increase.

Hon. J. G. APPEL: Hear, hear!

Mr. KING: That is a greater taxation than the people of Queensland can carry. The Treasurer now says that he is going to raise a further sum of £350,000 by additional taxation through increased fares and freights, and a further £25,000 from persons, as I have said before, who are thrifty and have a banking account.

Hon. J. G. APPEL: Persons owning cheque books.

Mr. KING: The policy of the Government should be to use loan money for reproductive works and the reduction of taxation, according to the plank of their platform. I shall quote a list of loans, the amount of interest on loan expenditure which has had to be paid out of Consolidated Revenue—

	£
Period 1906-15	3,689,585
Period 1915-24	15,757,835

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During the period the present Government have been in office the public debt has increased from £52,000,000 in 1915 to £91,000,000 in 1924. That shows an increase under socialistic rule of nearly £40,000,000. The Government have set themselves an expenditure of £5,000,000 per annum from loan money. If that policy of expending £5,000,000 of borrowed money per annum at a cost of 6 per cent., with approximately the same returns as at present, is continued, at the end of five years the approximate additional charge on the revenue will be £900,000. Nearly £1,000,000 of money!

Just a word about our railways. Undoubtedly before this Government came into power our railways were practically our biggest asset. We know that the last Secretary for Railways prior to the advent of this Government left a surplus of £49,000. The railways were then paying a fair rate of interest. The conditions are far different now. The following figures show the comparative construction of railways:—

1906-1915, total number of miles constructed	1,701
Average number of miles per annum	213
1915-1923, total number of miles constructed	1,067
Average number of miles per annum	194

The railway deficits have mounted up year after year. For the nine years after 1906 there was a net deficit of only £220,000. That was under Liberal administration. For the following nine years, 1915-1924, under Labour administration, we have a net deficit of £11,500,000.

The deficits under the Labour Administration were—

	£
1915-1916	598,244
1916-1917	737,363
1917-1918	1,028,002
1918-1919	1,421,322
1919-1920	1,229,578
1920-1921	1,739,475
1921-1922	1,743,370
1922-1923	1,475,192
1923-1924 (approximate)	1,622,449

Total for nine years £11,505,033

Mr. FARRELL: That is because the workers got an increase in wages.

Mr. KING: It certainly has not gone in extending the railway system, nor in efficiency either. During the last financial year the department earned a revenue of £5,684,653 for an expenditure of £4,990,749, leaving only £693,904 to meet an interest bill of £2,316,353.

The Government propose to increase railway fares by 7½ per cent. and the freights in some directions by 20 per cent. The following table shows how this 7½ per cent. works out, say, between here and Cleveland:—

	Previous Fare.	Present Fare.	Increase.	Percentage Increase.
Melbourne Street to Cleveland—				
2nd class single fare	2 2	2 5	0 3	11½
2nd class return	3 9	4 2	0 5	11
Week-end fare	3 0	3 4	0 4	11
Platform tickets	0 2	0 3	0 1	50

If the increased railway fares are to be on the same basis all over the State, it is going to be something vitally different from the increase of 7½ per cent. mentioned by the Treasurer. I suppose the increase will work out at 11 per cent. or 12 per cent.

Mr. FARRELL: The metropolitan people are in a very favourable position as compared with the country people.

Mr. KING: I do not think the metropolitan people are in any better position at all. I am quoting second-class fares, and you will find that this is going to hit pretty hard the worker who prefers to live at Wynnum or within an easy distance of the city. I do not think it is a fair charge.

Mr. FARRELL: If you take a similar distance in the country, you will find the increase is still greater.

Mr. KING: The increase will be greater there, and I think this action is in the wrong direction. It will realise practically only a small amount, but it is going to hit the worker a good deal harder than is generally understood.

Mr. HARTLEY: You want big surpluses and cheap fares.

Mr. KING: I want all the surpluses we can get, and I want the cheapest fares we can get combined with efficiency.

Mr. HARTLEY: They will have to pay for services rendered.

At 11.45 a.m.,

Mr. F. A. COOPER (*Bremser*), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. KING: The hon. member for Warrego spoke about the legacy of the Tory Government, and he twice made use of the expression "a bad old legacy." I want to quote the figures in regard to this legacy of loan indebtedness to show what it was before this Government came into power. The following table shows how the loan money was spent by the previous Administration—

	£
Railways	36,379,449
Immigration	2,763,070
Harbours and Rivers ...	2,443,822
Electric Telegraph ...	996,587
Water Supply and Sewerage	2,121,493
Loans to local bodies (other than for Water Supply)	2,741,219
Public Buildings	1,726,229
Public Roads	932,103
Defence	363,084
Other	1,803,707
Total	£52,270,763

Can anybody say that that money was not well spent? Was it not justified? Having regard to the development up to nine years ago, I would like to know how Queensland would have developed had that money not been wisely spent. When the Labour Government came into power they did not find Queensland a barren waste with nothing done. We were a progressive and growing community. Our natural resources were well developed; yet the hon. member for Warrego cannot understand why there was a legacy of loan indebtedness. Did he think for a moment that all this progress could have been brought about without any loan

expenditure whatever? That was a very necessary expenditure in connection with work done by past Governments.

Everyone must admit that one of the finest pieces of legislation ever brought in by any Government was the Workers' Dwellings Act. That the previous Government gave every encouragement to persons who desired to build their own homes is shown by the fact that in 1914-1915, 1,585 houses were constructed under the Workers' Dwellings Act. Since the present Administration took office the number of houses built under the Workers' Dwellings Act has been considerably less, as is indicated by the following table:—

Year.	Number of completed houses.
1915-1916	1,069
1916-1917	632
1917-1918	345
1918-1919	252
1919-1920	344
1920-1921	500
1921-1922	290
1922-1923	609

Mr. FARRELL: What about workers' homes?

Mr. KING: I will give the hon. member a little about the workers' homes directly. From 1910-11 to 1914-15—a period of five years—the previous Liberal Administration erected 5,614 buildings—an average of 1,005 per annum. The hon. member asked on Friday last if we could point to any year in which 1,000 workers' homes were erected, and I have given him those figures as evidence. From 1915-16 to 1922-23, or a period of eight years, under the present Administration—the term I mentioned previously was five years—the number erected was 4,041, the average per annum being only 505, or half of what the previous Liberal Government had done in a term of five years as compared with eight years.

Mr. FARRELL: They were five years of war.

Mr. KING: The war is over, and your best year since the war has only been 609—that was last year.

Mr. FARRELL: The cost of material has gone up.

Mr. KING: I know that perfectly well. The Workers' Homes Act was passed in November, 1919, but nothing was done in 1919, 1920, 1921, 1922, or 1923 for that matter.

Mr. HARTLEY: Yes, there was. You should not run away with that idea. They were putting them up.

Mr. KING: In reply to a question asked by the hon. member for Toowoong on 31st July, 1923, the Treasurer stated that the number of applications received for workers' homes was 182, of which 139 were approved. The number of houses completed was "nil"; the number of houses in course of erection at 30th June, 1923, was 28; and the total estimated cost of houses in course of erection at 30th June, 1923 (excluding land), was £14,853. That was four years after the Act had been passed.

Mr. FARRELL: The Act had been in operation five months.

Mr. KING: Why was it not in operation before?

Mr. HARTLEY: Nearly all the homes on a part of the range at Rockhampton are workers' dwellings.

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Mr. KING: I now want to refer to the advances to local authorities. The Financial Statement mentions a sum of £700,000 for local bodies. The Government are continually finding fault with the local authorities for not carrying out their functions properly. The Government admit the necessity for the local authorities to have loan money for roads, drainage, health, and general utility purposes, but apparently they are incompetent to assist the local authorities. Why will the Government not enlarge the borrowing powers of local authorities, so that, if they cannot get the money from the Government, they may get it from other sources and be able to function properly, instead of being restricted and hampered in the work which they wish to carry out? It is a sorry position for any Government to be in; but whilst they recognise that £1,500,000 is required to enable local authorities to carry out immediate works, the Government can only give them facilities to get half that amount. The local authorities cannot carry out their duties. I want to compare the advances made by this Government with the advances made by the previous Government for a corresponding period in proportion to the total expenditure on public works.

The TREASURER: Why not make an actual comparison between the amounts advanced by this Government and those advanced by previous Governments for local authority work?

Mr. KING: This is a fair comparison. It is the total expenditure on public works.

The TREASURER: There is the same number of local authorities now as there was then. Why not make a comparison between the amounts advanced by the previous Government and this Government? It is so easy to compare the actual amounts advanced this year and last year, but why not compare the money advanced by previous Governments for local authority purposes with the amounts advanced by this Government?

Mr. KING: I think I am perfectly justified in the method I am taking.

The TREASURER: It is not an honest comparison. The hon. member knows, for instance, that we expended £700,000 last year in connection with advances to local authorities, and the general Government expenses were so much. Would not that be a fair comparison to make?

Mr. KING: I would not say that.

The TREASURER: You have the figures. If the hon. member tries to work it out in proportion, he will have to take all other accounts, such as soldier settlements and public works expenditure.

Mr. KING: This is public works expenditure that I am basing my comparison on. I think it is a fair comparison.

The TREASURER: I think it is an unfair comparison.

Mr. KING: The total expenditure on public works for a period of seven years to 1916 was £12,474,574, and the amount lent to local bodies for that period £739,388, being a percentage of 5.9. For the seven years ended 31st December, 1922, the total expenditure on public works was £19,295,664, and the amount lent to local bodies for that period was £765,531, or 3.9 per cent.

The TREASURER: In connection with public works expenditure there was last year a sum

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of £496,000 spent on main roads, which does not figure in the earlier years. That has to be taken into account. It is really local authority expenditure. The basis of comparison the hon. member is taking is really unfair. The hon. member ought to be fair when making a comparison between the two periods. A considerable portion of the £496,000 was out of loan.

Mr. KING: It was a grant from the Commonwealth.

The TREASURER: It was not a grant from the Commonwealth. There was an expenditure in Queensland last year of £496,000. It is given in the Financial Statement.

Mr. KING: I now want to deal with primary production generally. The Secretary for Public Lands, when replying on the want of confidence motion, said that the success of the State depended on primary production, and I agree largely with that statement. I want to know how the Government have been trying to assist primary production. Let me go back to the year 1915, when a drought was raging and cattle were dying. The Government started off to encourage the primary producers by increasing the land tax. That was the encouragement they gave. It hurt the small farmer and nearly ruined the dairyman.

The TREASURER: The small farmer with 100,000 acres.

Mr. KING: The hon. gentleman has met some of them.

The TREASURER: The hon. member is not giving his own opinions.

Mr. KING: I got this from the farmers in the Logan district, and they make no mistake about it. One man said, "If they come here to try and collect the land tax from me, I will shoot them." They were pretty strong about it. It is just as well that we should not forget these things, and that is why I am reminding the Treasurer and the people of them. In 1916 they imposed that tax upon stock crossing the border in search of agistment country.

The TREASURER: Are you talking about the poor farmers now?

Mr. KING: This is the way the Government assisted primary production. In one of the worst droughts Queensland had ever experienced they seized the farmer's butter and compelled him to accept 15s.

[12 noon] to 32s. per cwt. less than he could have got in London. In 1920 the dairymen were forced to sell their butter at cost price, and the loss to them, according to an official report, amounted to no less than £242,000. I know perfectly well that the Treasurer would like us to forget these things, but it is our business to see that he is not allowed to forget them. The Government also commandeered the primary producer's meat for use in the State butcheries at a price 25 per cent. less than they paid for meat for Great Britain. Then they brought into being the costly Council of Agriculture. I do not know whether it is going to bring about good results for the farmers, but it is going to bring about heavy levies.

Then let us compare the land policy of this Government with that of the last Government, dealing particularly with closer settlement. The land opened for selection

under the two Administrations was as follows:—

Tenure.	1907-14.	1915-21.
	Acres.	Acres.
Agricultural farms	4,171,986	420,509
Agricultural homesteads ..	129,040	3,250
Free homesteads	12,614	460
Unconditional selections ..	112,325	8,674
Perpetual lease	60,424	2,207,140
Scrub selections	30,214	Nil
Prickly-pear selections	5,733,211	2,176,384

The TREASURER: The last Government were strong in giving out prickly-pear land.

Mr. KING: This Government have been just as strong in giving out prickly-pear land, but they will only give a perpetual leasehold tenure. I believe that the Government recognise the seriousness of the prickly-pear trouble, and that they are making an honest endeavour to cope with it.

Hon. W. H. BARNES: They have a prickly-pear on that side. (Opposition laughter.)

Mr. KING: The total area of land opened for closer settlement by the previous Administration was 10,240,864 acres, as compared with 4,816,417 acres, or a decrease of 5,423,797 acres under the present Administration.

The TREASURER: Do you not know that during the greater part of our period there was a war on?

Mr. KING: Now let me give some figures in connection with forfeited selections:—

	No. of Forfeited Selections.
1916	774
1917	543
1918	937
1919	1,013
1920	1,044
1921	812
1922	702
	5,825

That shows a remarkable record of selections forfeited in seven years of Labour rule. The Government passed a Closer Settlement Act, which was supposed to be in the best interests of the primary producer.

The TREASURER: It was supported by the primary producers.

Mr. KING: Under that measure, as under other land measures of this Government, the only tenure which is possible is perpetual leasehold, and it is well understood that financial institutions will not make advances under that tenure. And, by the way, we were told the other day by the Secretary for Public Lands, when a protest was entered by the Opposition in connection with two points in regard to the regulations under the Sugar Works Act of 1922, that is to say, the altered basis of rating and valuation—

The TREASURER: You must recollect that we have not altered the basis of rating fixed by the Act. We have provided for a new basis and new rentals.

Mr. KING: I understood that leases have been given and that the basis had been altered afterwards.

The TREASURER: No.

Mr. KING: That would have been quite wrong if the Government had done it.

The TREASURER: I would not attempt to justify such action.

Mr. KING: I was pointing out in regard to perpetual leasehold that generally that tenure means that every selector would have to go to the Government for advances, because it is generally understood that financial institutions will not lend money on perpetual lease tenure.

The TREASURER: They will lend so soon as the selector gets his tenure for twenty-eight years.

Mr. KING: I think the hon. gentleman will find that the advance is made on the stock and improvements.

The TREASURER: No. Once a man draws his selection he can obtain an advance.

Mr. HARTLEY: They advance him money to buy stock.

Mr. KING: Then a mortgage is taken over the stock.

Mr. HARTLEY: The mortgage is taken on the lease.

Mr. KING: It is not taken on the lease at all. I have a lot to do with mortgages, and I know that they are taken on the stock and improvements. Under the Act I have mentioned the selector is not entirely his own master. He has to put a certain acreage under crops. If he makes default in that respect, his selection is liable to forfeiture.

The TREASURER: That is a very sound policy, and one advocated by many hon. members opposite.

Hon. J. G. APPEL: The trouble is that it is hard to direct what crops shall be grown.

Mr. KING: In 1914-15 there were 376,621 tons of agricultural produce carried on our railways, bringing in a revenue of £264,036, which works out at the rate of 6s. per ton. In 1922-23 there were 1,191,871 tons carried over the railways, bringing in a revenue of £545,103, which works out at a rate of 9s. 2d. per ton, showing an increase of 3s. 2d. per ton, or equal to 52.3 per cent.

The TREASURER: Surely the hon. gentleman knows that is a fallacious argument. The Commissioner for Railways has pointed out time and again that you have to take into account the class of produce carried. Some classes carry a higher freight rate than others, and there is certainly a greater volume of a certain class of produce carried.

Mr. KING: I am quite prepared to admit that I think the rates in Queensland are lower than the rates in the other States, but there has been that increase of 52.3 per cent.

The TREASURER: No. The hon. gentleman is wrong. The only increase that has taken place in recent years on agricultural produce is the 5 per cent. this year.

Mr. KING: During the period 1907-1914 a previous Administration acquired 232,639 acres of land for closer settlement. That area includes—

	Acres.
Jimbour	121,061
Cooroy	5,507
Maryvale	29,156
Widgee	46,827
Inkerman	80,088
	232,639

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The TREASURER: Is the hon. gentleman accusing this Government of making those purchases?

Mr. KING: No. A previous Administration made those purchases. The present Government are not as active in acquiring land for closer settlement as previous Governments.

The TREASURER: Nearly every one of those purchases was a rotten proposition to the State.

Hon. J. G. APPEL: Widgee?

The TREASURER: We have had to give three or four measures of relief to Jimbour.

Mr. MORGAN: The Government are doing that in connection with Mount Hutton and Cecil Plains.

Mr. KING: What land have the present Government acquired?

The TREASURER: It is not our policy to buy land at a high price from private holders when we have Crown lands.

Mr. KING: Hundreds of people are singing out for land and cannot get it.

The TREASURER: The Government have opened up 2,000,000 acres recently. Send those people along to us.

Mr. KING: In 1914-15 Queensland produced 155,478,740 lb. of wool, and in 1921-22 she produced 132,579,733 lb., or a decrease for that period of 22,899,007 lb. It is a well-known fact that, when this Government came into power, they said they would make the pastoralists squeal.

The TREASURER: No. That statement was attributed to my predecessor, who denied it point blank, and hon. members opposite are not generous enough to accept that denial.

At 12.15 p.m.,

The CHAIRMAN resumed the chair.

Mr. KING: I did not know that it had been denied. If the hon. gentleman says that it was denied, then I accept his assurance. During eight years prior to the advent of this Government the quantity of wool produced had increased by 30 per cent. And, if the same rate had been maintained until 1923, the return from wool would be nearly £4,000,000 per annum greater. I do not want to go into the question of the trouble with the pastoral lessees. I know that the Treasurer had to retire from a certain position.

The TREASURER: I am surprised at the hon. gentleman's arguments this morning. They are not the hon. gentleman's own arguments.

Mr. KING: They are, and I am sincere in my argument.

The TREASURER: The hon. gentleman does not sound sincere.

Mr. KING: The Treasurer had to retire from a certain position, and he certainly had to make concessions to the pastoralists.

The TREASURER: It seems that the hon. gentleman is handling his brief so badly because he does not believe in it.

Mr. KING: Notwithstanding that under the 1920 Act the grazing farmers were penalised to the same extent as the pastoral lessees the Government have refused to grant the same concessions to grazing farmers as are being granted to the pastoralists. Why?

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Is not the grazing farmer worthy of the same justice as the pastoral lessee? He has to pay a higher rate. I am not one of those who say that the grazing farmer should not pay a higher rate. I believe he should pay a higher rate. There is no equalisation of rent between the pastoral lessee and the grazing farmer; but, if any concession at all is made to the pastoralists, then the same concession should be made to the grazing farmers.

The TREASURER: The hon. gentleman's own Government in 1905 did not make those concessions. They gave protection to the pastoral lessees and not to the grazing farmers.

Hon. J. G. APPEL: That Government was kept in office by Labour support.

The TREASURER: The hon. gentleman is only trying to stall off the question.

Mr. KING: Any concessions that were granted by previous Administrations were granted fairly evenly. When a drought was on there was a postponement of the payment of rent.

The TREASURER: There was the 50 per cent. limitation, which was a most distasteful discrimination.

Mr. KING: I wish now to refer to the position of the State enterprises. The Treasurer stated that he is satisfied with the position of the State enterprises. If the hon. gentleman is satisfied with their position, then he is very easily satisfied.

The TREASURER: What I said was that the improvement in their financial position is satisfactory.

Mr. KING: They will have to improve considerably more than they have done to be satisfactory in any shape or form. A very small improvement evidently satisfies the Treasurer. They are all fantastic schemes to socialise industry and add to our indebtedness without giving to the public any corresponding benefits. An analysis of the enterprises on which the Government are engaged shows that only three of them are being worked at a profit, while the total losses experienced last year amounted to £626,724. The operations of the State stations heads the losses with £572,818, while the State cannery exhibits a loss of £53,964, and the State fish supply a loss of £35,796. The total indebtedness of the State enterprises to the Treasury on 30th June, 1923, amounted to £2,214,751 5s. 1d. The State butcher shops on that date showed a total indebtedness from their inception of £142,463 12s. 3d. I would just like for a moment to refer to what is called the profit on that enterprise for last year. There is no profit at all. I refer to the report of the Auditor-General for the year ended 30th June, 1923, where it says that the State butcher shops showed a profit of £1,703. The details of the profits and losses since this enterprise was commenced are as follows:—

	Profit.	Loss.
	£	£
30th June, 1919	94,969	..
30th June, 1920 .. ..	..	14,396
30th June, 1921 .. ..	..	13,023
30th June, 1922 .. ..	..	15,521
30th June, 1923 .. ..	..	15,226
30th June, 1924	36,715	..

The report states that the net profits, less the transfer to the State fish supply of £20,000 and of £5,000 to revenue, were £1,703.

HON. J. G. APPEL (*Albert*): While the Speech delivered by His Excellency the Governor can be termed verbose, lengthy, and consisted, as it mainly did, of records of the supposed legislative and administrative actions—the self-glorification of supposed deeds—of his administration, and as window dressing to gull the electors, the Treasurer's Statement, on the contrary, can be classed as being curt, vapid, lacking in information, and showing an absolute want of initiation of bold and progressive proposals to deal with the present serious financial position. One would have supposed that some boldly conceived policy and actions to deal with the present serious position would have emanated from the hon. gentleman. The deflation of a further number of unfortunate workers, whom I have heard at different times referred to by hon. members opposite as the "underdogs"—and who by the action of the Government will continue to be "underdogs"—the refusal of the Government to grant an increase in the basic wage and the continuation of the 5 per cent. reduction in the salaries of public employees are miserable palliatives to deal with the present position, and are absolutely unworthy of the hon. gentleman. Such a policy is one that would have been criticised and condemned, and rightly so, by the hon. gentleman if he had been sitting in opposition.

MR. WARREN: With righteous indignation.

HON. J. G. APPEL: I recognise the position of the Treasurer, and how travel and association with men who have to deal with world-wide politics must have brought to his mind an outlook such that on his return to Queensland he saw that his position, so far as his leadership of the Government is concerned, was absolutely hopeless and helpless. Every leader of the Labour movement hitherto whose vision has been broadened by such experience, or by the responsibilities of office, has admitted as a result of that experience he stands, not for a section of the community but for the people as a whole. The Treasurer made that admission in the speech which he delivered in this Chamber a few days ago. I unhesitatingly say that the fate of all those political leaders who have had the boldness to take this broadened outlook will be the fate of the hon. gentleman if he puts into effect the policy gained from such broadening and experience which he gave in his recent speech through this Chamber to the electors. Since the inception of the Labour movement, that secret conclave which controls the whole destinies of the party does not view with favour any leader who endeavours to stand alone. It will not permit any individual outside of its own ranks to control or express an opinion, or endeavour to carry out opinions on politics which are for the benefit of the whole of the community, if those opinions do not agree with the particular tenets of that executive for the time being. A late and fallen leader of the Labour party, in deploring this fact, once said to me that this executive will not permit a man to develop his individuality, but pursues the old policy of cutting off the heads of the tall poppies. Such Labour leaders as we all know who have endeavoured to give

expression to their honest opinions have been relegated to an obscure political fate. I have seen the flood of the Labour movement, and I am now seeing it ebb. I have seen the growth and the decay of its genuine aspirations. The ideals and aspirations of its first leaders were lofty ones and worthy of commendation, but to-day, owing to that decay, they have become in their ebb politically selfish, sordid, and corrupt.

[12.30 p.m.]

It might be well if I were to quote an article which appeared in the Brisbane "Sunday Sun" of 3rd August, 1924—

"It is said that a great man despises the popular will—unless it coincides with his own. Mr. Theodore is an illustration. He wanted to abolish the Legislative Council because it was a check on his will, and as the Council refused to be wiped out he decided that the question should be referred to the people. A referendum was held and the people told him by a substantial majority that they did not approve of the extinction of the second Chamber. It was an emphatic mandate, but, being 'one of the few big figures in Australian public life,' Mr. Theodore deliberately ignored the verdict and applied the guillotine. The Queensland Legislative Council was a nominated body, so he swamped it with Ministerial microbes, pledged to commit constitutional suicide, put through a Bill for the abolition of the Council, and so violated the intrinsic principle of democratic rule, and the sanctity of the people's expressed will. If it is big to do that sort of thing then Mr. Theodore is big—indeed, he is a political mastodon. But only those who believe in autocracy or dictators could endorse such a flagrant defiance of the will of the people. He not only represented a minority of the voters in the State, but he treated his own referendum with contempt. It was indeed strong—in the colloquial or slang sense."

In future, when people look back upon the public life and the Government of this day, the present Administration will be termed "The taxing and spendthrift Government." They will be noted for their squandering and incompetence; as wreckers of the Constitution and of constitutional liberty. They have done all that they could have done to wreck constitutional government and the freedom of political life in the State of Queensland.

I have just quoted from an article dealing with their capacity as Constitution wreckers. There we found that, instead of adhering to what the people advocated by referendum, they maintained the Constitution only while it suited them; then it was wrecked.

Then, dealing with freedom of speech, our own freedom of speech in this Chamber has been limited. Over and over again has it not happened that, when our criticism was of such a nature as not to please hon. gentlemen on the front bench opposite, when they did not desire that the electors of the State should be made acquainted with such facts, such criticism has been cut short by means of the guillotine? The guillotine was condemned by those hon. gentlemen when they were in opposition. The party which posed as the defenders of free speech so

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soon as the opportunity occurred out-heroded Herod as far as the limitation of free speech was concerned.

Then take the interference with the people as a whole. One law which has been referred to by the deputy leader of the Opposition—enacted the institution of the Council of Agriculture, by which the primary producers of this State are practically enslaved. Because they happen to belong to that section of the community who are, as the Treasurer himself stated the other day, paying the wages of the workers of our State, yet to-day they are in a worse condition of serfdom than was ever attributed to the serfdom of Russia under the rule of the Czars. They are no longer free agents. What is more, that particular section of the community which has had to bear the heat and burden of the day so far as the settlement and development of our country lands is concerned, is to-day subjected to an extra method of taxation. That taxation may well be termed, as hon. members opposite are so fond of terming it, “a primary producers’ poll tax.” The primary producers have to pay a land tax upon the land upon which they grow their produce. It is a small holding indeed which does not exceed by many hundreds of pounds the exemption limit. Again, they pay an income tax upon the net proceeds received from the sale of the proceeds of the land upon which the land tax is levied. Then, because they happen to be primary producers and, apparently, according to the views of hon. members of the present Government, unable to retaliate, a third imposition is placed upon them which no other section of the community is called upon to bear. That is a levy upon gross proceeds of their sales. That results because they are considered a negligible quantity by the present Government.

We must realise, further, that the primary producer is not permitted to market his own produce and that he has to send that produce, previously sent to agents who acted for many years for him, to certain middlemen selected by the present Administration because they control the Council of Agriculture, which deals with the matter. That creation of monopolistic middlemen is in accordance with the whole policy of this Government. In many cases the primary producer has been compelled to take a lesser amount for his produce than was previously the case.

I think you will admit with me, Mr. Pollock, that I have made out a very good case, so far as my charge against the present Administration is concerned, of their being Constitution wreckers. I think I have amply demonstrated that they have interfered with the liberties of the representatives of the people in this Chamber, and that they have also interfered with another section of the community, not only with their liberty, but that they have placed upon their shoulders an additional burden which is not borne by any other section of the community. I ask whether any other section of the workers of the State would consent, without a revolution, to a special imposition or impost being placed upon them covering the industry with which they are connected? They would not. It is only the primary producer—who is considered by the present Administration to be a negligible quantity—who has had that burden placed upon his shoulders. Incident-

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ally, he has an additional tax placed upon him in the hospital tax. By that policy of centralisation—which apparently is the policy of the present Government—he is no longer permitted, nor will he be permitted except under exceptional circumstances, to have a hospital in his own locality, and, therefore, that contribution may be considered to be a special additional tax levied upon him.

When reference was made to the increase in railway freights by the deputy leader of the Opposition, the Treasurer challenged—I will not say the accuracy of the quotation, but the accuracy of their application. If we take the freight charged in 1914-15 and compare it with the freight charged in the years 1920-23, we find that the increase per ton upon the carriage of agricultural produce amounts to 3s. 2d. What the additional increase will be under the present increase of freights it is impossible for me to say; but that increase represents an increase of 52.8 per cent., yet organisers and canvassers in the interests of the Labour party go into agricultural districts and assert that no additional imposition by way of an increase in freights had been placed on the primary producers. That increase more particularly affects the small primary producer, because we know the freight on perishable products is higher than the freight, say, on sugarcane. That increase in freights presses more harshly upon the small primary producer than upon the bigger man, who is generally the one who is engaged in the sugar industry.

Mr. MORRIS. It affects all his groceries that he uses every day, too.

HON. J. G. APPEL: We know there is a large number of people who travel at weekends to our different seaside resorts who are also affected, but I take it that they do not deserve so much consideration in the matter of increased fares and freights as the primary producers, because it is a matter of pleasure with them. I am referring to the man in the country who rises at daybreak and does not cease work until after sundown, and who is affected by the seasons, who has no regular reward for his labour, and who, on many occasions owing to the weather conditions, is deprived of a reward for that labour. He is the man who is principally affected by the additional freights levied. Hon. members who support the present Administration say that this increase in freights will not affect the man on the land, but I leave it to the primary producer to say whether that is so or not. What can we expect, after all is said and done, when we heard the remark that fell from the leader of the present Government in connection with the internal discord in his own party? I will not repeat the reference that was made to a section of the supporters of the Labour party, but I know that many years ago a gentleman who represented the electorate that I now have the honour to represent by a slip referred to the nomadic workers of the western districts as “dingoes,” and that stuck to him as long as he lived. The Premier referred in the same terms to certain members of his party who did not agree with him, and I am wondering whether it will stick to the hon. gentleman. We all know that he is a dictator, an autocrat, and the members of his party have to bow down to him. He has got his heel upon their necks, and they cannot rebel. He may call them “dingoes” or anything else, and they dare not rebel.

If the same reference was made by a member sitting on this side of the House, it would stick to him as long as he lived, and be rubbed in on every possible occasion in this House, but hon. members who support the present Administration take it lying down. In one sense, I admire the Premier. I remember the "Daily Standard" referring to his despotism. A resolution was passed by the Workers' Political Organisation of South Brisbane in which it was said that it would be a mistake that he should act as leader, because, instead of being a leader, he would be a despot. He has proved that he is a man of strength. He is a despot, and his party admit that he is, and they have to lie down to it.

THE TREASURER: You did not exhibit very much strength yourself on the eve of the 1915 election when you resigned and left your leader in the lurch.

HON. J. G. APPEL: We have to smile at the consistency of this so-called democrat, who, when they are not on their guard, treats the under section of the community with the greatest contempt, while at the same time pretending to make them the repositories of all power. I think it will be admitted that that is exactly the position as it stands. The party sitting behind him certainly may have thought that some better palliative than the one I have already mentioned could have been discovered. "A few more workers to be deflated"—that is the expression used by the hon. gentleman himself! But they have to do as they are told. He has refused to increase the basic wage by a few shillings per week, although it is admitted that the cost of living has increased. It was a refusal on the part of the Government to do away with the 5 per cent. reduction in the case of workers receiving a small rate of pay, and it is worthy of the hon. gentleman and those who sit behind him and support his policy. I would rather see some action taken which would also apply to the better-paid members of the public service, if that method is the only palliative, so that the lumber members—if I may use that term—of the State service, who are receiving but a very small rate of pay, may have the 5 per cent. reduction restored. They receive only a small rate of pay, and are refused an advance of a few shillings per week to meet the increased cost of living, and they are also subject to a reduction of 5 per cent. The position is unworthy of the Treasurer, who has been referred to as a superman—a super-financial authority. I would gladly have seen the hon. gentleman suggest some better method by which the financial position could have been dealt with, so that the "under dog" in the community—I am using the phrase of hon. members opposite—could have had a few shillings more with which to provide for the necessities of their wives and little children.

One hon. member on the back Government bench referred in a diatribe to the present loan indebtedness as "a bad old legacy." If he referred to the loans which existed when the present Administration came into power as a bad old legacy, I wonder how the present loan indebtedness which has been incurred by the present Administration will be referred to in future. We hear accusations from hon. members opposite that past Administrations, whether Tory or Liberal, were all concerned in connection with these loans; that they were responsible whether the

loans were incurred by a squatter or a Liberal Administration. They accuse us to-day of being responsible for the fact that so many of these loans fell due in the one year. Yet the Treasurer—who has an absolute knowledge of the business—tells us that he has acted on the advice of the financial advisers of the Government in London. Do hon. members opposite mean to tell us that in those by-gone days, when Queensland was a very poor asset so far as the London money market was concerned, the members of those Administrations who conducted the negotiations had not to accept the advice of their financial advisers? The thing is absolutely ridiculous; but by the reiteration of a fib it is often accepted as being a fact; and it is now brought as an accusation against members on this side that they are responsible for those loans falling due in one year. They fail to point out that for all those years we have had those loans at an exceptionally low rate of interest. They have only been bearing $4\frac{1}{2}$ per cent. or $3\frac{1}{2}$ per cent. interest. It simply shows that any stick will do if you are going to beat a dog. Apparently we are regarded as the dogs that any stick may be used to beat. It is for us in this Chamber and through the columns of "Hansard" to make the public of Queensland aware of the actual facts of the case. Can any sensible man tell me—surely there are some men of sense on the Government benches, and the Treasurer himself above the others—that Queensland would be in the condition she is in to-day if it had not been for the expenditure of the loan money borrowed in the past when Queensland was unknown and undeveloped? Would we have been in the position we have attained without the borrowing of that money, by which a policy of progressive public works was carried out for the advantage of settlement and development of Queensland? We have a population smaller than the population of Sydney, yet we are receiving to-day from the people of Queensland a revenue of £14,000,000. It is all owing to the fact that this network of railways has been carried out by means of this "bad old legacy" that we are in the advantageous position in regard to settlement and development that we are in to-day, and which has enabled us to pay the enormous imposition of direct and indirect taxation which has been imposed on the primary producers and those engaged in the industries of the State. As the deputy leader of the Opposition pointed out, there had been expended on railway out of such loans up to 30th June, 1915, a sum of £36,379,449, which was the greater proportion of the whole of the loan indebtedness at that time. We had also spent about £2,750,000 upon immigration, to bring men here who with their families have assisted in the settlement and development of the State. Upon our harbours and rivers we spent £2,443,823, which has made it possible in the case of the Brisbane, the Fitzroy, and the Mary Rivers, and at Townsville and other ports to deal with the shipping and the export of the produce brought to the ports by the railways which were constructed by what has been termed this "bad old legacy." I am quite prepared to be associated with such a "bad old legacy," but I confess that I should be very sorry indeed to be associated with the legacy of loan indebtedness which the present Administration have incurred, and which they will leave behind them, amounting approximately

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to £33,000,000. As the deputy leader of the Opposition has already pointed out, during the last nine years the interest on the public debt has involved a charge on the revenue of £15,757,835.

Of our total loan indebtedness there has been spent on the railways £55,017,922, and the interest charge on the Consolidated Revenue in respect of that expenditure was last year £1,622,449. Does any member of this House or any member of the community venture to say that the amount of money expended upon the railways has not been for the benefit of the development and settlement of this State? If so, he

[2 p.m.] does it either wilfully with the object of deceiving or because he is absolutely ignorant. We have to realise, furthermore, that the works were carried out according to the existing conditions of the day, and at a very reasonable cost per mile even in later years. Take the extension of the railway from Nerang to Coolangatta, which involved heavy bridge work and cuttings and one tunnel. The work was carried out by day labour for approximately £7,000 a mile. Yet, in the face of that realisation, we have the continual reiteration of hon. members on the other side against members of the Opposition that this expenditure was a bad one and that the loan indebtedness of the State, when they came into office, did not confer a benefit on the people of the State, nor was it necessary for its development. To what conclusion can we come? Either that the charges are wilfully made with the object of misrepresenting the actual facts or that they are made through ignorance.

Let us realise the difficulties of our statesmen in meeting the expenditure of the early days. Consider the weak financial position of Queensland as it then was. Let us remember how small the population was and the fact that we had no exports, with the exception of our wool exports—and, as the Treasurer knows, it is the exports of a country which make its prosperity and establish financial stability. We had no export of butter and meat. We had practically no manufactures, although some people manufactured a little sugar in the district to which I have already referred. Can we realise the position of the Governments of those days and what they had to contend with?

I well remember as a little lad in the year 1866 when, owing to the failure of Gurney's bank, the financial bottom fell out of this and every other State, and the financial position in Great Britain was affected, and the Queensland Government had absolutely no funds because the Bank of Queensland—which was the only local bank—had to suspend payment owing to the failure of the bank that I have mentioned. I well recollect the men employed on railway construction from Ipswich to the Downs marching to Brisbane in files of two like a company of soldiers to interview the Government in order to obtain food. The Government had no money, and they were faced with a position far more serious than the Treasurer is faced with to-day. They had no credit, no funds, and no industries of any account in the State. There was absolutely no settlement outside of a few small areas which were held by farmers and pastoral lessees as tenants of the Crown who were

growing wool, which was our only exportable product. I hate to hear those past administrators condemned—I do not care what their politics were. They had to meet the situation, and it was a serious situation. What did they do? They threw land open for selection before the survey was made, and people went out and selected the land. In the electorate which I have the honour to represent scrub land was thrown open, and people set to work and selected that land; and I am proud to say that the descendants of those families are still on those same selections and are a credit to the State for the way in which they assisted in the settlement and development of the State, and for having in recent years borne a considerable share of the taxation that has been imposed on the taxpayers of the State by the present Administration.

The next item of loan expenditure is immigration. I am only sorry that that item, amounting to £2,765,071, is not a more considerable item. Those who are decrying the loans that were obtained by previous Administrations with the object of assisting immigrants should realise that the families who were introduced under that system of immigration have been a credit to the State, and their descendants continue to be a credit to the State, because the great majority of them assist most materially in the settlement and development of this country. The evidence is here in connection with the loan expenditure on harbours and rivers. Then out of those early loans there was a network of electric telegraphs provided over the whole of the State of Queensland when the Commonwealth took them over. Out of that money loans were made available to local bodies for water supply and sewerage. Money was also expended on the erection of public buildings which are a credit to this State and a credit to the Administrations which erected them in the different portions of Queensland, following that policy of decentralisation which has undoubtedly led to the settlement and development of Queensland. An amount of £1,803,770 was expended on public roads in country districts of the State before the inception of local governing bodies. With the exception of the latter portion, all the amounts I have mentioned were expended before I became a member of this House, but I am prepared to accept and carry any responsibilities, because I am proud of the work that was carried out by the men who administered the affairs of the State of Queensland under extreme difficulties, when Queensland had no exports at all. Before we had any exports of such produce, what was the price of a prime bullock in the State of Queensland? The price in the south-eastern division did not average £2 per head. What was the value of butter before we established an export trade? I remember when I was on my grandfather's selection butter was going to market and returns being received showing that it did not average 1½d. per lb. There was no export trade for butter, and it therefore did not have any value. The position was the same with any other article that was produced. The men of those days had to face and deal with these problems and difficulties. Droughts which dislocated business had also to be contended with.

The dislocation of business in 1893 has been referred to. We all know what caused that, but to say that the Liberal Administration

which controlled the destinies of the State at that time had anything to do with it simply shows that the charge is made with the desire and object of injuring the party which is opposed to the present Administration. I confess that that is not playing the game.

The TREASURER: It is a serious confession. (Laughter.)

HON. J. G. APPEL: The hon. gentleman himself has confessed the responsibility which he felt on his recent mission to London, and I should not have liked to go to London to solve the financial problem which he had to solve. But that problem was a mere nothing as compared with the one which had to be solved by the men who represented, as we called them in my young days, the squatter and Liberal parties. They were the men who had to face difficulties and solve the problems, and it is not to the advantage of any party or their adherents who have only been here a few years and have had the advantage of the labours of those men to decry them.

It is with regret that I have to refer to the circular which was issued on finance by the present Administration when in opposition. When they were in opposition they were opposed to flotation of loans, increased taxation, high penalties being imposed on offenders, and the curtailment of public speech in this House; but no sooner had they become possessed of the Treasury benches and began to administer the affairs of the State than we witnessed an absolute reversal of their previous professions. The Government have carried out everything they criticised when in opposition. *Inter alia*, it was said in the statement issued by the Government—

“Just ponder on the awful stupidity of the policy that permits of our receiving about £11,000,000, paying back in interest £16,500,000, and still owing just about £12,000,000! That is the sort of Liberal finance that caused the great bank smash of 1893.”

The Government gulled the majority of the electors that they were genuine in those professions. Let us follow that statement out for a moment.

The hon. gentleman goes to the United States for a loan of £2,400,000. Bear in mind that the hon. gentleman was responsible for those statements which I have just read! This loan of £2,400,000 is over a period of twenty years, and the interest comes to £168,000 per annum. In fourteen and a-half years the interest paid will be greater than the amount of the loan. At the end of the twenty years the interest will amount to £3,400,000. Underwriting, brokerage, and advertising cost 4 per cent., or 100 per cent. higher than in London.

The TREASURER: Not 100 per cent. higher than in London.

HON. J. G. APPEL: Flotation expenses on the loan amounted to £100,000. Queensland will pay for £2,400,000 the sum of £5,900,000.

The TREASURER: The hon. gentleman is entirely wrong.

HON. J. G. APPEL: That is correct. If I am incorrect, the hon. gentleman may give the correct figures when he replies. I am not going to be interrupted by the Treasurer. Reduced to home finance—because this

particular appeal to the electors referred to home finance—they borrow £2,400,000, and will have to repay £5,900,000.

The TREASURER: That is nonsense.

HON. J. G. APPEL: When we realise that the Treasurer, according to this pamphlet, knew all about it, and believed in a certain line of policy, is it not an extraordinary thing that he should have acted in that way?

The TREASURER: Is that pamphlet correct?

HON. J. G. APPEL: This is one of those things with which I do not associate myself. In this particular pamphlet the Treasurer said—

“For instance, in one particular loan connected with a certain Australian State not 1,000 miles from Queensland, an item appears for cab fare of £207. Is that instructive?”

Unquestionably the Labour party gained a considerable amount of support by these pamphlets. The Treasurer knows that an item like that is a very necessary one. According to “Smith’s Weekly,” which has done a great deal to make the hon. gentleman known throughout Queensland and elsewhere—the Treasurer discards the use of cars to prove that he is a Democrat—the hon. gentleman walks to and from his residence to his office. I wish my residence were a little closer: I think I would do the same thing; but, in my case, for exercise—

The TREASURER: You certainly have as much time as I have to do it.

HON. J. G. APPEL: I daresay the hon. gentleman now often regrets having permitted himself to indulge in utterances of that kind. The hon. gentleman interjected about the Seaforth Estate. I suppose every administration makes mistakes, but is the purchase of the Seaforth Estate comparable to the scandal of Mungana, Einasleigh, and Chillagoe? When the owners of Chillagoe offered that property to the Government of which I was a member, I told the then Premier that if the Government touched it they deserved the condemnation and criticism of the Labour party and of everyone else. But what does the Labour party do? A transaction that the Liberal administration would not touch. The Liberal Administration would have nothing to do with that property because it was absolutely rotten, and the losses incurred show that that was correct; but the present Administration, as soon as they had the opportunity of doing so, purchased it. Take the losses incurred in connection with that concern and other concerns! We realise that if it had not been for those losses the basic wage could have been increased, the reduction of 5 per cent. which has been taken from the workers of the State need not have been taken from them, and in many other respects contentment and happiness might have been given to the smaller men in the State service by giving them a decent wage and decent conditions. The hon. gentleman has the hardihood to interject, “What about Seaforth?” but if all the propositions and wild-cat schemes on which the taxpayers’ money has been lost by the present Administration turn out as well as the Seaforth Estate when we get more settlement and development, I shall be very glad; but we know that they will not so turn out. We know that they will mean an absolute loss to the State of millions of pounds. That is the party who stood for better conditions

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for workers, and to-day they stand for keeping them under—the “under-dog” still is kept under. A little quotation from J. S. Mill is rather apropos. Mill, in writing on “The Limits of the Province of Government,” says:—

“A democratic constitution, not supported by democratic institutions in detail, but confined to the central government, not only is not political freedom, but often creates a spirit precisely the reverse, carrying down to the lowest grade in society the desire and ambition of political domination. In some countries the desire of the people is for not being tyrannised over, but in others it is merely for an equal chance to everybody of tyrannising. Unhappily, this last state of the desire is fully as natural to mankind as the former, and in many of the conditions even of civilised humanity, is far more largely exemplified. In proportion as the people are accustomed to manage their affairs by their own active intervention, instead of leaving them to the Government, their desires will turn to repelling tyranny rather than to tyrannising; while in proportion as all real initiative and direction resides in the Government, and individuals habitually feel and act as under its perpetual tutelage, popular institutions develop in them not the desire of freedom, but an unmeasured appetite for place and power; diverting the intelligence and activity of the country from its principal business to a wretched competition for the selfish prizes and the petty vanities of office.”

The CHAIRMAN: Order! The hon. member has exhausted the time allowed him under the Standing Orders.

Mr. TAYLOR (*Windsor*): I have listened in this Chamber to quite a number of Financial Statements delivered by the Treasurer, but I do not think we have ever had a more doleful Statement than the one he delivered a few days ago. It is quite evident that the Treasurer himself, while delivering the Statement, did not feel particularly happy, because right through the whole of the Statement there did not appear to be one ray of hope of any kind; in fact, it was a confession of the lamentable weakness and incompetence of the Treasurer and the Government in administering the finances of the State during the last twelve months.

There are two things which strike one in connection with the Financial Statement, and the first is what a magnificent State Queensland is. There is no other country in the world which possesses such wonderful resources and recuperative powers as Queensland. That is the heritage which the Treasurer and the Government are called upon to administer at the present time. The State of Queensland, I claim, is second to none in the Commonwealth of Australia. On quite a number of occasions when we have criticised the financial administration of the Government we have been accused of running down the State. Hon. members know that that is not so. No one can stand up in this Chamber and truthfully decry the State. We have a knowledge of what our State is. In endeavouring to direct the attention of members to what happened years ago, when previous Administrations had control of Queensland, the hon. member

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for Albert pointed out—and we must all admit it—that the conditions at that time were absolutely different from what they are to-day. We had then no industries of any kind. Even the sugar industry, which has grown to such large dimensions in Queensland in recent years, was practically non-existent.

Mr. DUNSTAN: It would not have grown to its present dimensions under your Government's policy.

Hon. J. G. APPEL: It was the Liberal Government which sent round travelling dairies.

Mr. TAYLOR: When I came to Queensland about thirty years ago there was hardly a butter factory in the State. They have practically all come into existence since then. At that time the butter produced by small dairy farmers used to come into the market in kegs. There was rather more than people could use, and it was often sold at very low prices. Then the Government of that day had not only those things to contend with, but they had also to administer defence affairs and the post office. I claim that the early Administrations which controlled the destinies of Queensland did their work well. We owe a debt of gratitude to them, and I think it is regrettable that in this Chamber the work of the pioneers is called into question. One can only put it down to want of knowledge on the part of hon. members who do that of the history of Queensland and of Australia.

Hon. J. G. APPEL: It is a crime to be a pioneer.

Mr. TAYLOR: A good deal has been said with regard to the financial stringency. The Treasurer, in making some remarks at the recent show, referred to the action of the banks, and said that they were mainly responsible for the present financial stringency. Does the hon. gentleman wish us to believe that the banks are out to commit suicide? Does he think that they are doing something which will cripple their business activities and make it more difficult for them to carry on than it is at present? In 1893 the Treasurer was only a little chap about seven or eight years old and running about in knickerbockers, and it would be a good thing if he would read the history of that particular period in the history of Queensland and Australia. He would find that nearly every bank in Australia, and not only banks but other financial institutions and warehouses, with the exception of two or three, had to reconstruct, and they were followed by the insolvency of hundreds of men who occupied good positions in society.

That bank crisis did not start [2.30 p.m.] in Queensland or New South Wales. It started in Victoria. The first bank to close its doors was one of the big Victorian banks whose ramifications extended throughout the whole of Australia. Those of us who recollect that crisis—and I recollect it quite well—will remember that perhaps to-day one bank would close its doors, and a customer would go to another bank to open an account and put in cheques, and perhaps the day afterwards that bank also would close. In several instances men were known to open accounts in two or three banks and get hit up every time. That financial crisis was brought about largely by the inflation of land values, particularly in the State of Victoria, and afterwards—as hon. members will probably

know—men connected with the Government of that day went to gaol in connection with those affairs. I recollect that an ex-Treasurer of Victoria went to gaol in connection with his financial affairs during that crisis, and I take it that what happened once may happen again.

The TREASURER: Let us hope that no more Treasurers will go to gaol. (Laughter.)

Mr. TAYLOR: I certainly would not like to see our Treasurer in gaol. (Laughter.) But those things happened. At that time we had a gold currency in Australia—to-day we have practically only a paper currency—but, notwithstanding that fact, in 1893 the greatest crisis in the history of Australia prevailed throughout the country. One does not want to see another crisis; and if the banks by exercising care and prudence can prevent a repetition of it, all power to them. If they had exercised foresight at that time the crisis might not have occurred; and if, by exercising care and prudence—which unfortunately our Government do not exercise—they are able to prevent a similar crisis in this State, they will have done very excellent work.

The next thing that strikes one in speaking on this question is the absolute incompetence of the Government during the past nine years to control the finances of Queensland. It has been blundering finance from one end to the other—one cannot very well call it “frenzied finance”—the only proper term for the financial administration of the past nine years is simply “blunder.” During the whole of the period the State’s expenditure has been increasing steadily. If the revenue of the State had been decreasing, one could understand the position, but the Government cannot claim that there has been a decrease in any way whatever. Indeed, the remarkable thing about it is that as the revenues of the State have increased so have the stagnation of industry and unemployment increased. How are we to square those two things; how can we explain it away? I do not know, but I say that these things have come about since the present Government have controlled the affairs of the State. The present position is solely and absolutely due to the policy of squander which has characterised the actions of the Government during the last nine years. To-day the Government find themselves practically in the position of a mendicant. That is practically the position of Queensland—a State which in my opinion has no equal in Australia. Its Government practically occupy the position of a mendicant in endeavouring to get money to develop the State.

We have to be thankful for the fact that Queensland has potentialities which far and away exceed her liabilities, so that we can manage to carry on; but there is no denying the facts as they exist at the present time. We claim that the development of the State has been considerably retarded by the spendthrift, meddlesome policy adopted by the Government. What I am saying at the present time is true, and the Treasurer and the members of his Government and his supporters know that it is absolutely true. Enterprises have been entered into, the result of which has been disastrous to the community. The worst part in connection with the State enterprises is that there was no demand and no necessity for entering upon them at all. I have said on several occasions in connection with State enterprises

that where it can be shown that an enterprise or a business is being carried out to the detriment of the people of the State, or is not being carried on at all when it should be carried on, then there is a justification for the Government coming into the trading arena and developing that particular industry or encouraging it in some way. That is the only occasion on which a Government is justified in trespassing in the way of State enterprises.

Chillagoe has been mentioned during the course of this debate. One of the main arguments used by the Secretary for Mines in connection with Chillagoe—it is true so far as it goes—was that by the entry of the Government into the mining enterprises at Chillagoe they had been enabled to keep a considerable number of men in employment. No one gainsays that. The Government have kept a considerable number of men in employment; but our point is that the same number of men could have been kept in employment in reproductive developmental work. The money which has been squandered in Chillagoe—we shall never see it again—could have been well spent, and the same number of men could have been employed, in actual developmental work in North Queensland. Mining as an activity is a gamble, as we all know, and has proved a gamble in this instance, yet we have been committed to this expenditure by the Government. I am quite certain that if the Treasurer had his way he would retrace his steps and endeavour to retrieve some of the ground that has been lost in that direction.

At the present time there is considerable talk about the establishment of abattoirs in Brisbane. Anyone who has any knowledge of the meat industry, or has seen the abattoirs in the Southern States, must realise that Queensland is a long way behind in that respect. If there is one State in the Commonwealth more than another that should have an up-to-date abattoir system, I claim that that State is Queensland, because we have a climate more severe on meat than is the case with Victoria or South Australia. Abattoirs should have been established here a long time ago.

Mr. HARTLEY: Why do you not carry them out? You have the big pastoral companies.

Mr. TAYLOR: When the present Lieutenant-Governor, Mr. Lennon, was Secretary for Agriculture, he was fairly keen on the establishment of abattoirs, and I think I am correct when I say that a fair amount of money was spent in clearing certain land for the establishment of abattoirs at Wolston. Those abattoirs were to be used to supply the metropolitan area of Brisbane, but that is all that has been done. If the Government had gone on with that scheme at that time, instead of spending a lot of money on what one can only call wild-cat ventures, they would have had abattoirs at Wolston at a probable cost of £500,000 or £600,000, and would have had something to show for the money, and would have been conferring a benefit on the people of Brisbane and on the meat industry generally. Instead of doing that, they diverted the money to enterprises for which there was no demand, and no necessity in any shape or form.

The SECRETARY FOR PUBLIC INSTRUCTION: Wait until we get the Kyogle railway, and you will see what will happen then.

Mr. TAYLOR: During the last few weeks we have been celebrating the centenary of

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the city of Brisbane. We shall find that by the end of next year our national debt will be somewhere in the vicinity of £100,000,000, and about that time the Government will probably be proposing to celebrate that fact. When the Government came into power nine years ago the national debt was £56,000,000. It is not necessary for any hon. member to dilate on such figures.

Hon. J. G. APPEL: "Borrow, boom, and bust."

The SECRETARY FOR PUBLIC INSTRUCTION: More people pay bigger income taxes to-day than ever.

Mr. MAXWELL: They said in 1915 "Finance is the test of government!"

Mr. TAYLOR: The Government, when in opposition, bitterly complained that the national debt had reached £56,000,000, and appealed to the electors to defeat the Government who were responsible for that debt. How have the mighty fallen!

Hon. M. J. KIRWAN: Yes, how have they fallen! They are over in opposition now. (Laughter.) The hon. member for Albert, for instance, the mighty!

Mr. TAYLOR: The Treasurer is one of the two members of Parliament responsible for the publication of the pamphlet referred to by the hon. member for Albert. In that pamphlet it stated "Finance is the test of government." The pamphlet pointed out all the terrible things which were happening to Queensland. What would the Treasurer now give never to have written or signed his name to that pamphlet? He would like very much if its contents were buried in oblivion, but hon. members on this side are not going to permit it to be buried. We are going to remind the hon. gentleman that he wrote that pamphlet, and the hon. members sitting beside him of the fact that they subscribed to it—even the hon. member for Fitzroy—and that they have now changed their attitude.

Mr. HARTLEY: The test of that pamphlet is the fact that we are still here.

Mr. TAYLOR: The Press informs us that the Secretary for Mines, in the course of an interview at Sydney on his return from America, said that the establishment and maintenance of secondary industries was absolutely essential to the salvation of Queensland. That is quite all right. We do want to establish secondary industries. But how are secondary industries to be established when the Treasurer and those supporting him are committed to a campaign inaugurated by the supporters of the Government for a reduction in working hours, the payment of a full basic wage to the unemployed, and a capital levy of 15s. in the £1 on all incomes of more than £1,000? That is the policy the Treasurer and the hon. members sitting beside him are committed to: yet they talk about establishing secondary industries!

Hon. M. J. KIRWAN: What plank of the platform is that?

The SECRETARY FOR PUBLIC INSTRUCTION: That is Thompson's plank.

Mr. TAYLOR: That is plank 49. (Laughter.)

Mr. KING: It is one issued by the "white ants" which have got into the party opposite.

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Mr. TAYLOR: It is the platform to which the Treasurer and his supporters are committed.

The SECRETARY FOR PUBLIC INSTRUCTION: Don't talk nonsense.

Mr. TAYLOR: Let the hon. gentleman deny it. I am making the charge that the Treasurer and those supporting him are committed to that platform.

Mr. DUNSTAN: That is not correct.

Mr. TAYLOR: No Government have done more to hamstring industries by taxation than the present Government have done. They have prevented the extension of existing industries and the creation of any new industry.

Mr. HARTLEY: What about the cotton industry?

Mr. TAYLOR: That is only a primary affair yet. We have not got into the secondary, "thirdly," or "fourthly" stages of that industry. The Government have not shown anything in their platform to the effect that they are out to assist the cotton industry.

Take the wool industry! I was not surprised to see the other day, in the balance-sheet of the Ipswich Woollen Mill, that the enterprise had made a loss. The charges which have to be incurred and paid in Queensland are one of the factors causing that loss.

The SECRETARY FOR PUBLIC INSTRUCTION: Nothing of the kind.

Mr. TAYLOR: It was set out in their balance-sheet that the increase in the cost of production was one of the items causing the loss.

The SECRETARY FOR PUBLIC INSTRUCTION: The reason is that they cannot compete with your Tory friends in Victoria, and the hon. member knows it.

Mr. TAYLOR: Why not?

The SECRETARY FOR PUBLIC INSTRUCTION: Because they have not the machinery.

Mr. TAYLOR: Why not?

The SECRETARY FOR PUBLIC INSTRUCTION: Because it is obsolete.

Mr. TAYLOR: Why have they not got efficient machinery?

The SECRETARY FOR PUBLIC INSTRUCTION: Ask them.

Mr. TAYLOR: I claim that we should be able to compete with Victoria or any other State in the Commonwealth. We must not forget that we have in Queensland what they have not got in South Australia or West Australia. We have magnificent coal supplies—a splendid asset for carrying on secondary industries.

The SECRETARY FOR PUBLIC INSTRUCTION: It is the failure of private enterprise.

Mr. TAYLOR: Then, God help the enterprise if the Government take it over. I suppose it will not be a failure then!

Hon. J. G. APPEL: No—a tragedy.

Mr. TAYLOR: During the last twelve years I suppose ten or twelve woollen mills have been established in the other States of the Commonwealth, but here in Queensland, where we are producing an abundance of the finest wool grown, not only in Australia but

in the whole world, we have two small woollen mills in Ipswich.

The SECRETARY FOR PUBLIC INSTRUCTION: That is due to your Federal protection.

Mr. TAYLOR: How is it that the other States can manufacture? Are they not under exactly the same tariff conditions as we are? Is there a different tariff operating so far as Queensland is concerned?

The SECRETARY FOR PUBLIC INSTRUCTION interjected.

Mr. TAYLOR: Oh, hold your tongue.

The CHAIRMAN: I ask the hon. member to address the Chair, and not to invite interjections.

Mr. TAYLOR: Very well, Mr. Pollock. Next week a wool sale will be held in the city of Brisbane at which 40,000 bales of wool will be auctioned. That wool is going to return to Queensland anything up to £1,500,000—probably more.

The SECRETARY FOR PUBLIC INSTRUCTION: Less bank charges.

Mr. TAYLOR: I hope, Mr. Pollock, that you will keep the hon. gentleman in order.

Hon. J. G. APPEL: His interjections are only silly.

Mr. TAYLOR: Before the end of the year I understand there will be another wool sale in Brisbane of similar magnitude. Yet we are sending that wool overseas and to the Southern States and bringing it back in the form of manufactures to clothe the people of Queensland.

The SECRETARY FOR PUBLIC INSTRUCTION interjected.

The CHAIRMAN: Order! I ask the Secretary for Public Instruction to restrain himself.

The SECRETARY FOR PUBLIC INSTRUCTION interjected.

The CHAIRMAN: Order!

Mr. TAYLOR: There must be a reason for this, and I claim that the reason is the excessive taxation which has been imposed upon the people of Queensland by the present Government.

Hon. J. G. APPEL: Hear, hear!

Mr. TAYLOR: That taxation does not show any signs of ceasing. We have in the Financial Statement the proposal of a 2d. tax on all cheques. I claim that that is another tax on industry. Another £25,000 is going to be collected from the people of Queensland.

Hon. J. G. APPEL: A little pot boiler.

Mr. TAYLOR: On every marsupial skin and on every opossum skin in Queensland in the future there is going to be a royalty charge. That is what is going to happen in a short time. The Government are endeavouring to plumb to its very depths every possible avenue of taxation. I would suggest to them, now that they are putting a tax on marsupials of all kinds, that they put a royalty on fish—charge something for every fish caught. That may be another source of revenue.

The SECRETARY FOR PUBLIC INSTRUCTION: We could put a tax on sharks.

Mr. TAYLOR: Then it would be put on you pretty lively. (Laughter.) You would be the first one. These are matters which

are tending to cripple industry and retard development in Queensland at the present time. The revenue for the year ended 30th June, 1924, exceeded the estimate by £363,939, whilst the expenditure for the same period exceeded the estimate by £358,269. The Treasurer's Financial Statement is absolutely silent in regard to the arrangements made in London. The time has come when the Treasurer should take the House into his confidence in regard to that agreement.

Mr. HARTLEY: They are going to send it by wireless to Mars.

Mr. TAYLOR: So long as they do not send it to the 'pa's' it will be all right. (Laughter.) All we know in connection with that agreement is what has appeared in the Press, and I presume that what has appeared in the Press is substantially what has taken place. We were given to understand that the Treasurer, when in London, offered to do certain things, with which both parties agreed. It is not sufficient, in connection with what was done in London for the Treasurer to fix up an arrangement of a temporary nature, which may be upset by any Administration which may have charge of the affairs of Queensland in the future. Taking it all through, the Treasurer had a fairly good reception when in London, and I have not hesitated to say that the work which he accomplished was to his credit; but the responsibility rests on the hon. gentleman at the present time to see that no Government which succeeds him in the days to come will have power to upset the arrangement that he made. He is obliged to see that that agreement is carried out to the very letter; and if an Act of Parliament is required to do it, then a Bill should be introduced. If the Treasurer can do it in some other other way, well and good: but whatever is done should be of such a nature that it will be permanent in its incidence and it will be impossible for it to be upset by any succeeding party that may have charge of the Treasury benches. We have to retain the confidence of the people who have money to lend. We know perfectly well that we cannot carry on the affairs of Queensland successfully unless we are assisted by financiers abroad. It is absolutely necessary that we get loan money, and if anything should happen within a very short space of time in the way of upsetting any arrangement which the Treasurer made in London, then I take it that our credit will be worse than it has been during the last year or two. I hope the Treasurer will realise that what he does must be of such a character that there will be no danger of the arrangement being upset.

The Treasurer's remarks in regard to the sugar industry are somewhat meagre. The Board that is handling this business knows its job and it is doing it. We have had an uphill fight with the Southern States in regard to the sugar industry. The people of the Southern States seem to miss this—that at the point of production of any given article that article is likely to be cheaper than it is anywhere else. Here in Queensland, where we are producing sugar, we pay exactly the same price for our sugar as the people in the Southern States of the Commonwealth. We are prepared, as Queenslanders, to accept that position in order that the industry may be maintained and stabilised—we are prepared to put a tax

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upon consumers in Queensland in order that the industry may be stabilised. In the Southern States they appear to have lost sight of the fact altogether.

A GOVERNMENT MEMBER: There is no Federal spirit.

Mr. TAYLOR: In Queensland we have to import quite a large quantity of food-stuffs from the other States, such as flour and potatoes. They are produced in Victoria and Tasmania. Now the people in Victoria are getting the two lines at a very much lesser rate than we are paying in Queensland, because we have to pay the transport charges on them. In Victoria potatoes have been ranging from £4 to £4 5s. a ton, while in Queensland we have had to pay, in addition to £4 5s. a ton, the £2 5s. which it costs to bring them here. We have not asked the people of Victoria to supply us with flour and potatoes at the same price as they are getting them for themselves, yet they have been doing all they possibly can to block the sugar industry in Queensland. Notwithstanding the efforts that they have made, I sincerely hope that they will not be successful.

While dealing with the sugar industry, there is a point that I think we have carefully to watch at the present time. We have a surplus of somewhere, I understand, about 60,000 or 70,000 tons of sugar in Queensland at the present time for which we have to find a market abroad. What we have to be most careful about with regard to that surplus sugar is this: When it goes abroad we want to be particularly careful to see that it is not sold at a lesser price than the manufacturers and canners of jams and fruit in the Southern States are paying at the present time. If it should happen that that surplus sugar is sold at a lesser rate in the markets abroad than the people in Victoria are paying for manufacturing purposes at the present time, we shall be giving them a good argument in favour of pulling down the price of sugar. They will at once say, "What sort of people are they in Queensland? They go and sell their surplus sugar in an outside market at a lesser price than they sell to us in Victoria who are trying to carry our manufactures." That is one of the things which the Sugar Board will have carefully to watch, and see that under no circumstances surplus sugar is sold at a lesser price than those people are paying for it for manufacturing purposes.

The Treasurer estimates that there will be a total revenue for 1924-25 of £14,147,000, or an increase over last year of £718,961, and an expenditure of £14,137,150, showing an increase in expenditure for the current year of £721,813. Those figures are eloquent as to the resources of this great State. I claim that in administering such large sums of money and in carrying out the activities of Queensland at the present time the Government do not sufficiently realise the fact, which I have stressed on more than one occasion, that they are trustees of public money. I know that all moneys expended by a Government cannot be reproductive and pay interest. We know that with regard to education and quite a lot of matters we do not expect a direct interest return on expenditure, but in connection with money spent on work of a reproductive nature and developmental character the Government should exercise the greatest care in carrying out the expenditure.

[Mr. Taylor.

Last session we discussed the big irrigation scheme in the Dawson Valley. Since I have been in Parliament I have not said one word against water conservation and irrigation, because I think they are among the things which have been neglected in Queensland in past years. We have come to realise

that over a very large area [3 p.m.] drought conditions have become the normal conditions; but there is no reason why we should suffer such terrific losses as we have experienced hitherto if we only exercise ordinary foresight and care in water conservation and, where possible, carry out irrigation schemes. When we were discussing the Dawson Valley scheme last session, I asked the Government to endeavour to secure the services of Dr. Elwood Mead, who happened to be in Australia at that time, with a view to getting his advice. This is a scheme running into millions of pounds, and we have had in this Parliament a very bitter experience of experts. They tell the Minister or the head of the department that they estimate that a particular job is going to cost so much, and then in quite a number of instances we find that the cost price is double or treble that figure.

Mr. DUNSTAN: Just the same as the contractors for the city council.

Mr. TAYLOR: I have nothing to say about the contractors for the city council. When we are contemplating the expenditure of such a vast sum, we should get more expert advice. The Minister has to bear the responsibility and the criticism which are thrown at him if the estimate which has been supplied to him and which has been supplied by him to Parliament has been misleading in any way whatever; and I say that it would be well if in this matter we could get further information and advice. We want to see this scheme a success. We want to see the Dawson Valley and many other valleys settled with prosperous farmers. I think that can only be done in a very large measure if we can provide the water facilities necessary to make their activities successful.

The Treasurer estimates a surplus for the current year of £9,850, and to his estimate he adds this remark—

"This result, however, can only be brought about by exercising strict economy and a close control generally over expenditure."

And in the next breath he actually proposes to spend another £700,000 more this year than last year! I admit that of that sum increased interest on the public debt represents £459,000, which includes the extra interest on the conversion loan.

The TREASURER: And £100,000 to the Prickly-pear Land Commission Fund.

Mr. TAYLOR: I consider that that is a justifiable expenditure. The problem has to be tackled, and the longer we leave it without the attention it deserves, so much more will be the expense.

I would like to quote a few figures showing exactly how revenue and expenditure have moved during the last few years. On page 2 of the Auditor-General's report for last year the revenue for the year ended 30th June, 1923, was stated to be £12,599,403, and the expenditure for the same year amounted to £12,784,382, leaving a deficit of £184,979.

The accumulated deficits for which no provision has been made are—

	£
1917-18	409,451
1918-19	171,963
1921-22	183,591
1922-23	184,979

£955,009

There we have a total deficit of £955,009, and, after deducting £145,000 paid in 1920-21 towards the reduction of that amount, we have a total deficit of £810,000. This morning, when the hon. member for Enoggera was speaking, the Treasurer challenged his statement that £145,000 had been applied in reduction of the national debt. He contradicted that assertion.

The TREASURER: No. What I contradicted was the statement by the hon. gentleman that that sum was paid to the trustees of the Public Debt Reduction Fund.

Mr. TAYLOR: It is practically the same thing.

The TREASURER: It is not practically the same thing.

Mr. TAYLOR: There is not much difference. The total deficit is still added to the national debt, and, even if we issued Treasury bills in order to liquidate the deficits, it is still a debt, and therefore the £145,000 was really applied in the reduction of those deficits that I have just quoted.

The TREASURER: Surely the hon. gentleman does not claim to have made a discovery on that.

Mr. TAYLOR: I do not claim to have made a discovery. One can discover quite a lot of things in reading the Auditor-General's report.

The TREASURER: The hon. gentleman need only read the Financial Statement to discover that.

Mr. TAYLOR: There is an accumulated deficit of £810,000 for which no provision for payment has been made.

On 30th June, 1923, there was £430,315 excess of estimated revenue, and after deducting £33,612, being estimates not realised, we have a total of £396,703. The amount of expenditure under estimated amounted to £112,714, and if we deduct £107,872, representing the estimates exceeded, we have a balance of £4,842. And if we deduct the expenditure under estimated from the revenue received in excess of the estimate, we have a surplus revenue for that year of £391,860. The Treasurer estimated the deficit for that year at £576,840, but the actual deficit was £184,980. If we take the receipts for several years and the expenditure, it will prove what I said a few moments ago, that the State has responded wonderfully well to the financial calls upon it year by year, until now the Treasurer estimates we shall receive £14,000,000 by way of revenue for the coming year. The total receipts for Consolidated Revenue for the year 1913-14 were £6,973,258.

Mr. COLLINS: There are 130,000 more people here now.

Mr. TAYLOR: The Treasurer estimates that he will receive £14,000,000 during the current year, or, in other words, he is receiving more than double for 1924-25 what was received in 1913-14. The expenditure for the year 1913-14 amounted to £6,962,515,

leaving a surplus in that year of £10,742. The following table shows the receipts, expenditure, and balances for the period during which the present Government have been in office—

Year.	Receipts.	Expenditure.	Deficit.	Surplus.
	£	£	£	£
1914-15	7,202,658	7,199,399	..	3,259
1915-16	7,706,365	7,671,573	..	34,792
1916-17	7,880,893	8,134,386	253,493	..
1917-18	8,491,481	8,900,933	409,451	..
1918-19	9,415,543	9,587,531	171,988	..
1919-20	11,293,743	11,266,909	..	26,833
1920-21	12,601,031	12,591,201	..	9,830
1921-22	12,311,378	12,499,969	187,591	..
1922-23	12,599,403	12,784,382	184,979	..

Those figures speak in most eloquent terms of financial maladministration.

OPPOSITION MEMBERS: Hear, hear!

Mr. TAYLOR: What else can they tell of when we find a continually increasing revenue year after year and these enormous deficiencies? I claim, as other hon. members have claimed during this discussion, that a lot of the troubles which the Government are experiencing at the present time within their own ranks have been brought about by themselves, and had they only exercised ordinary foresight in the expenditure of the public moneys which they received during those years, there would not have been that trouble within the party. The Government would also have had no reason to curtail expenditure as they have had to do in connection with matters which have been discussed during this debate. The total revenue received in 1914-1915 was £7,203,658, while the total revenue for 1922-1923 amounted to £12,599,403, being an increase since Labour came into power of the enormous sum of £5,396,745. The expenditure for the year 1922-1923 was £12,784,382, an increase over the expenditure for 1914-1915 of no less a sum than £5,584,983. The deficits for the years 1916-1917, 1917-1918, 1918-1919, 1921-1922, and 1922-1923 aggregated £1,208,502. The total surpluses for the years 1915-1916, 1919-1920, and 1920-1921 amount to £71,454. Deducting the total surpluses from deficits we have a total accumulated deficit of £1,137,048, less the amount of £145,000 previously mentioned. That gives a total deficiency over the period of Labour Administration of £992,048. If you go back over the whole history of responsible Government in Queensland, I think that will be found to constitute a record for reckless expenditure.

Mr. COLLINS: You went out thirty-five strong and came back twenty-nine. How do you account for that?

Mr. TAYLOR: One of the items of expenditure which the Government set out to reduce was that associated with local authority work. I think that is most regrettable. That class of expenditure is well directed and supervised, and the State is getting an adequate and proper return. When one looks at the Financial Statement and finds the small amount of money which is in arrears by the whole of the local authorities in Queensland, it must be admitted that the amount due is a small one indeed. The work of the local authorities is supervised not only by the local authorities, but by the Government; therefore there is a double check. I take it ro

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hon. member in this Chamber likes to see a curtailment of expenditure on local authority work. That money is not lost. The Government charge interest, and the payments come in regularly. Very important works are being carried out with the allotted money.

I am pleased to know that during the last few months whenever requests were made for additional railways the Secretary for Railways told the deputations that he could not see his way clear to give them any encouragement during the coming year. Unless the circumstances absolutely justify it, I think the time has come when we should cease the policy of railway building which we have been carrying on for some years. We have only a small population, and we have a big mileage of railways to maintain. I think that every effort should be made to develop to the fullest extent the country along the existing railway lines. If the railways are going to pay at all, they must carry more goods than they are at present carrying. When it is considered that the capital cost of the railways is somewhere in the vicinity of £50,000,000, I think there should be very little additional expenditure on those railways until they carry 50 per cent. to 60 per cent. more traffic than they do at present. We do not want to see our trains running empty, but as full as they possibly can be. If that policy is carried out in the future, it will be a wise one. It is all very fine to talk about the railways developing the State. I am in favour of that as much as any man in this Chamber; but, when we have been running railways thirty or forty years and they are not paying working expenses, let alone interest, then something is wrong. We do not expect railways to pay when they are first started, but when they have been in existence twenty, thirty, and in some cases probably forty years and are still showing a loss, then we should "take a pull" and see if we cannot possibly remedy the trouble. To think that we have had to pay out of the Consolidated Revenue during the last nine years over £11,000,000 to make up the deficiency on the railways is rather alarming.

Mr. DUNSTAN: What would you do with the non-paying railways?

Mr. TAYLOR: It is very hard to say what one would do with them. We know that in some of the States of the Commonwealth they shut them down. That is an unfortunate state of affairs; but they faced the position and absolutely shut them down in some districts. If you have a railway ending, say, 50 miles from Brisbane and there is an agitation for an extension of that railway for 20 or 30 miles, and it is extended, what is the result? You find that the goods that were carried when the terminal point was at 50 miles are carried on to stations between the 50-mile point and the 80-mile point, and you carry no more goods on the railway when you extend it to the 80-mile point. That is not good business, and it is not the sort of business that the Government should stand for. We should give every possible encouragement to the primary producers to settle in all parts of the State, but we should also endeavour to bring the railways nearer to being a paying proposition than they are at the present time.

Mr. BRUCE (*Kennedy*): The hon. member for Windsor in criticising the Financial Statement laid emphasis on the increase in

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revenue during the period that the Labour Government have been in power. Undoubtedly the people of Queensland have also noticed the increase in revenue during that period; but the hon. member took the increase in revenue as a basis for criticising the present financial position. It must be remembered that an increase of revenue means an increase of business, and it means also an increased responsibility. The Government have had to face the increased responsibilities that the increased revenue and expansion of business in Queensland have brought about. It must be remembered also that the public estate is not only run for the present moment, but that whatever Government happens to be in power, they have to prepare that public estate for the generations that are to come, and in a young country like Queensland, as yet undeveloped, as yet practically bare of secondary industries, the cost of that development is very heavy indeed. It is on the wisdom of Governments that the future generations must depend for their prosperity and happiness. The hon. member for Albert emphasised what had been done by past Governments, and I say definitely and clearly that these past Governments had to do something and they muddled through, but always at the expense of the toiler—always and at all times at the expense of the working man. They were, as they have been accused of being, Tory Governments. They stood for the old Tory policy that had been carried out for years in the old country, and they carried it out with one hundred per cent. efficiency in Queensland, and nothing that can be said of them will clear them of the charge that at all times they disregarded the bottom dog—the man who did the real work of the country.

The hon. member for Windsor also touched on the question of woollen manufactures and other secondary industries. I think he mentioned the Ipswich Woollen Mill. Now there was a time when the Ipswich Woollen Mill used to send round circulars to the workers asking them to purchase the shirts and other things which they produced. I can say, as I have worn them myself, that they were a first-class article; but they got their opportunity during the war when they manufactured every ounce of woollen goods which they could manufacture. They increased their revenue, but after the war they failed to devote their capital to the improvement of their mills. The article produced during the war was of splendid quality, but they did not produce as good an article after the war, and they are not erecting up-to-date machinery and extending their operations, which is responsible for the woollen industry not being so far advanced as it should be in Queensland.

A lot has been said about the conversion of the loans. During the debate on the Address in Reply the hon. member for South Brisbane stated distinctly—and I agree with him—that capitalists know no country, and nothing but hard matter-of-fact business, cash, and increased interest in connection with the money loaned out. That being so, how could the Treasurer or anybody else be responsible for anything that was done with regard to the negotiations with those capitalists? The point is that they were out to increase their interest payments. They had been given two splendid levers. One lever was the delegation which went home. Just

as hon. members opposite remind the Treasurer and the ex-Treasurer of the financial pamphlet they issued in 1915, and are not going to let them forget it, so we are not going to let hon. members opposite forget the delegation which went to the old country and which they supported. That delegation to a great extent gave to the capitalists of the old country something on which they could increase their interest payments—something on which they could improve their position as modern Shylocks. There is also the fact that an ancient Tory Government had left us approximately £25,000,000 to convert within two years, which was another excellent lever for the financial interests of Great Britain to ask for a higher payment of interest.

Mr. MOORE: The Government had since 1920 to convert £12,000,000

Mr. BRUCE: That is quite correct, but it does not alter the position a great deal. I believe there has been a concession to the pastoralists in England, but, if anybody wishes to imply that the Treasurer personally made a concession, it is incorrect. Instead of charging increased interest payments, what the money-lenders did was to get a larger sum of money from Queensland per medium of this arrangement in regard to rents. There is no doubt in the world that they are going to get a sum of money in the shape of pastoral rents; but the Treasurer's handling of the case was as good as any other man could have handled it. I am satisfied, too, that the Treasurer is one of the outstanding men in Australia to-day so far as statesmanship is concerned, but he has his limits the same as any other man. It did not matter to these money-lenders who went to them, because borrowers are just like any other men of business. A man goes to his bank and his banker tells him that he can have money at a certain rate of interest and under certain conditions, and he has to accept the terms laid down. It is the same in all financial transactions. What we want to get down to is that finance has a grip over all things, whether it is the individual man or whether it is the Government; so why this attack has been in many instances directed against the Treasurer in the Press and in public I cannot understand, because many in the Press who attack the Treasurer know all about the grip of finance and the ramifications of the present banking systems in the world, and know that the Treasurer or any other man has to take what is offered. That is all about that particular question.

The Treasurer himself had quite a lot to say on the question of extremists. In my career as a unionist official and a worker amongst the men, I have met many who were classed as extremists, and better men than some of them it would be impossible to find.

They were men who were to a [3.30 p.m.] large extent idealists. They hoped for a better and broader life for the people of the State and of the world to be accomplished. I know of one particular instance—of Paul Freeman—a man who was persecuted by the Federal Government of Australia, of all people. That man was as clean a living man as ever stood in shoe leather. He was the acme of courtesy towards women and children. His life was beyond reproach. If he met a worker, he advocated in the quietest and mildest of terms that he should join the organisation

in the industry in which he earned his living. I have never known that man to be abusive or anything but kindly towards men in general. But he made a speech on one occasion at the Duchess. The subject was the flags of all nations, and after dealing with the flags of different nations and pointing out, for instance, why the stripes and bars were on those flags—celebrating wars in which millions of people were destroyed, as they were destroyed in this last war which disgraced civilisation—he finished up by making reference to the red flag, which is the emblem of the worker, and which is the emblem of the blood those people have spilt in the fight for democracy in the past. In making that speech he was listened to by an expert in the mining industry, well known in the Cloncurry district, who made the remark that he would report him. This man was arrested. I met him whilst under arrest, and when I asked him whether he wanted anything, he said that all he wanted was that the people who caused his arrest should bring some charge against him under the laws of the country. The Federal Government were not able to do it. He was taken from here to America and from America back here. Never at any time was he charged with anything. Finally, knowing that there was nothing against him, they dumped him on the first European wharf at which the boat called. He was charged with nothing; his guilt was simply that he was a class advocate. I have seen the most splendid men amongst his class—men who wished to gain nothing for themselves, whose whole enjoyment and pleasure in life were to improve the lot of society as a whole. Anybody will admit that that ideal is worth while. One has only to read—I need not quote them—the works of Ruskin, probably the greatest political economist from the standpoint of humanity that we have ever had, to see what society should be. Under the present system of society there is no hope; the problem reverts back to these men who control money—not the men in business here in Queensland—not the men engaged in primary production. They have nothing to do with capitalism; they themselves are in the hands of these capitalists. It is at the root of these things that we must get. While on the question of extremists, I want to say that one can be extremely moderate as well as extremely militant in a political sense, and there is just as great a danger, and probably a greater danger, in a man representing the Labour movement becoming extremely moderate than there is in becoming extremely militant. Moderation is a magnificent thing. I take it that it is perhaps the basis of all enjoyment in this life—moderation in all things—but when you are out to improve the condition of society, it is a greater danger to become extremely moderate than it is to become extremely militant, because unless there is some fire in a man's soul, unless there is some desire to improve things, if he becomes machine-like, he ceases to be of much value to a democratic movement.

Mr. KERR: You are making a very severe attack on the Treasurer.

Mr. BRUCE: Like the Treasurer, I am able to make a statement clearly and distinctly, and I am making that statement without fear or favour of the Treasurer or anybody else. That is my position.

Mr. COLLINS: Hear, hear!

Mr. Bruce.]

Mr. BRUCE: I am having my say on this question. I have dealt with that position as fully as circumstances require and as clearly as I have been able to deal with it.

I would like to refer now to the question of the sugar industry. There is a distinct tendency on the part of the Federal Government to leave the sugar industry in the lurch, and, on the other hand, we have them advocating the expenditure of a large sum of money for the purchase of cruisers in defence of Australia. It has been emphasised that the sugar industry is one of the greatest bulwarks of the White Australian policy. We need not worry about Europe. The countries of Europe have quite enough to do to clean up their own backyards in an endeavour to recover the position which they maintained prior to the war. It is inconceivable that we should come into conflict with America, and any sane man who will speak his mind knows perfectly well that there is only one country that we fear, and only one country we can come into conflict with, and that is Japan. The sugar industry is building up the finest defence that we can ever have against Japan. We have the Federal Government, composed of men who claim to be statesmen, and they are now talking about the expenditure of millions of pounds in the purchase of cruisers. I want to emphasise at this juncture that they are going to build those cruisers in Great Britain, and shift holus bolus to Great Britain the amount of money that those cruisers will cost; but, at the same time, they will give no guarantee to the sugar industry, which I regard as a greater defence than all the cruisers they can build. If only a part of the millions which the cruisers will cost was used as a guarantee to the sugar industry, there would be an extension of that industry by an increase in the number of people who would take up sugar land, by an increase in the number of business people who would follow those engaged in production, and we would continue to build up the virile and magnificent race of men that is being built up per medium of the sugar industry to-day. What is required is what has been reiterated time after time by the Labour party, and will stand reiteration at all times, and that is a complete embargo on the importation of black-grown sugar. I say definitely that if you are going to allow sugar grown by black labour in another country to be introduced in competition with white-grown sugar in Australia, then you might as well, except from the social side of the question, allow black labour into this country to compete right on the job, because it would be much more reasonable than allowing the sugar grown by such labour to be imported. We cannot get anything definite at all from the present Federal Government on the question of a complete embargo on the importation of black-grown sugar. Naturally the farmer requires a guaranteed price for his commodity. Sugar-cane growing is not a thing you can go in for to-day and start business right away. You take up a block of land, and it is probably two years before you get a crop, and in some cases that will only be a very light crop. It is not possible to clear land and plant a crop in less than a couple of years, and it is necessary that the absolute minimum period for which a price is guaranteed should be five years. I congratulate the hon. member for Mirani upon introducing the sugar question in the early part of this session. (Hear.

[Mr. Bruce.

hear!) I congratulate him on recognising that there is urgent need for improvement in the sugar industry.

Mr. HYNES: His was an election stunt. (Opposition dissent.)

Mr. BRUCE: I congratulate the hon. member on having raised the question, irrespective of the party he belongs to, because every recruit that will support and stand up for that industry is of the utmost importance to it, and will eventually result in its betterment. The hon. member, though, did not introduce any new matter. His speech in many respects tallied with the speeches that I delivered when, as a Labour candidate for the Senate at the last Federal election, I toured the North and other portions of the State.

Mr. BRAND: Mr. Charlton did not give you much help.

Mr. HYNES: He gave more help than was got from the Bruce crowd.

Mr. BRUCE: One of the questions that I desire to bring before this House is in relation to the old people in Dunwich. I have visited Dunwich several times. I have noticed a paragraph in the Sydney "Bulletin" on Dunwich, and it agrees with what I saw on visiting that place. Dunwich is not a suitable place for the purposes for which it is used. It is one of those legacies that the Labour Government have inherited from past Governments. I recognise that it will cost a good deal to make any alteration in the policy in regard to Dunwich, but that also is included among the legacies. I hope that the Government will investigate this matter and endeavour, before very long, to do something to select a new site. It would be a payable proposition. The present site does not give a great deal of scope for the growing of vegetables, which many of the old people would be very pleased to grow if the ground was suitable. The menu of the institution could be improved by the inmates growing their own vegetables, and possibly by selling the surplus and making a few shillings for themselves. The following extract, which I have taken from the Sydney "Bulletin," is true to a large extent:—

"Dunwich (Q.), originally intended as a retreat for the aged, has latterly taken on a more comprehensive character; it has now become a dumping ground for all cases which the Government finds a difficulty in bestowing or accommodating elsewhere. Many of these cases are badly served by this concession to expediency. The island, owing to excessive dampness, cannot be termed an ideal location for consumptives. Yet it houses twenty-five of these unfortunates. The cancer cases, numerically about as strong, would surely fare better in the Diamantina Hospital for Incurables. One cannot cavil so much at the inclusion of about the same number of inebriates, though it is significant that the laissez-faire attitude adopted towards these is yielding poor results."

I was surprised to find in Dunwich patients who ought not to have been there. The present medical staff of one doctor and an assistant, is not sufficient to treat over 1,000 people who are more liable to sickness than any other people because of their age and the number of cases of serious diseases. The medical staff should be increased. There is no gainsaying the fact that the aged people

in Dunwich are on the industrial scrap heap. They are people who have worked and developed this country. I heard the hon. member for Albert interject something about pioneers, but it was not the man or the companies who took up large blocks of land who were the pioneers. Many of the people at Dunwich will be found to be the pioneers of this State, and they should be given every possible consideration. They have done the work of their day, and are now on the industrial scrap heap. I should be failing in my duty to the community if I did not call the attention of the Government to this particular phase of the work that we should do.

We hear a lot about pioneers from both sides of the House. There is another section of the people of Queensland who should rank as our pioneers—the prospectors. I refer to the men who have found our mineral wealth, and who are still endeavouring to find the mineral wealth of Queensland. The original pioneers of Mount Isa were a few prospectors who at the time had nothing but flour, beef, and tea in their bags. They discovered Mount Isa, but did they get anything out of it?

Mr. VOWLES: No.

Mr. BRUCE: In company with the hon. member for Flinders, the Attorney-General, I approached the Secretary for Mines and asked that the Mount Isa district should be restricted to miners' rights claims. Although we know that eventually large aggregations of capital must develop these fields, our object was that the area should be cut up into claims. The prospectors in that area would then have been able to get a few hundred thousand pounds that are due to them for the work they have done. The areas were reduced to 10-acre blocks, but, while that was excellent in itself, it did not meet the object of the hon. member for Flinders and myself. It is history now that men with motor cars came along and asked men, "Will you lend me your name for a week or two?" and all that kind of thing. The prospectors should have consideration, and I think the Government should move in this manner. Any man who can prove that he has been prospecting for a certain time or that he belongs to a prospectors' association should be granted a free railway pass at Christmas time, as are Government servants. These men in many cases spend years in the bush, and never save enough money to get out of it. They should be given a holiday, and I think they are entitled to the concession I advocate.

Then there is the question of a 44-hour week. It will be remembered that under the Industrial Peace Act a man had to be working in the industry to represent any union, and a member of the management to represent the employers, in most cases assisted by legal advice. In 1915 I was working in the mines at Mount Elliott and was appointed as union representative in the Arbitration Court under the Industrial Peace Act. On that occasion we secured a 44-hour week for the men. Ever since then a position has existed which I think is a ridiculous one. Year after year we have to go into the court and fight the question of a 44-hour week. The usual thing is for the employer to ask for a 48-hour week and for the employees to ask for a 40-hour week. The matter is debated before the judge, and so far we have always been successful in getting a 44-hour week.

The question of averages does not affect the man who is working fifty hours a week. The fact that the average is forty-five and a-half hours a week is no good to the man who is working from forty-eight to fifty hours a week. We have the representatives of the Government stating that it is the duty of the Arbitration Court to bring in a 44-hour week, and time after time we have had the leading judge of the Arbitration Court stating that the Government should introduce legislation to establish a 44-hour week. What is the worker going to think or say when he hears the judge of the Arbitration Court on the one side saying that legislation should be introduced to bring in a 44-hour week, and, on the other side, the representatives of the Government saying that the Arbitration Court can deal with the matter? It does not matter who is right, the worker wants to know where he comes in, and between the two he falls. If the workers are to receive no benefit at all from increased prosperity in the country and from improved methods of production, then the owners of the means of production will get the whole of the profit and the worker remains, comparatively speaking, just as much a slave as he was in the early days. A hundred motor tractors are being introduced into the sugar and cotton fields in the North every month, and with that improved method of cultivation there is not the slightest doubt that the producers are benefiting. They will tell you themselves that they are benefiting, and there is no argument about it at all; but, on the other hand, the condition of the workers is not improved in any shape or form. The Secretary for Lands, in his speech in this House the other day, said that he fought for and won the 44-hour week for miners as far back as the time when he was an organiser or a worker in the far North. Men engaged in mining, because of the danger of miners' phthisis, should have the greatest possible consideration as regards shorter hours; but there are many other industries that are quite as onerous, if not quite so dangerous—industries in which you can prove by statistics that for every hour a man works over eight hours a day an increased number of accidents occurs. The question of expenses is one—I would not be correct in saying capable of many solutions—but that is capable of solution. There is one thing that requires consideration. When the State butcher shops were first established the Government purchased State stations with the object of preventing a boycott of the State butcher shops by those who owned and controlled the cattle. But there are State stations to-day which are not necessary. I know one station in particular—Dotswood—not very far from Townsville that could be cut up into small blocks with benefit to the workers, and it would lead to increased prosperity in that district. There are many other directions in which the financial position could be improved.

Then as to the effect of a 44-hour week on unemployment. There are any amount of industries to-day—not only Government industries, but private industries in which increased employment would be given without increased cost by having a 44-hour week. Where overtime is being worked in many cases to-day, if a 44-hour week were introduced, an extra number of men could be found employment at the same cost. That would probably affect the figures a great deal in regard to Government enterprises.

Mr. Bruce.]

Another question which I think should be given consideration is preference to unionists. We find, particularly in the sugar industry, that the whole of the work is carried on at the present time with very little conflict or friction between the employers and employees where every man engaged in the industry is a member of his organisation. In conversation with industrial inspectors, I have received the admission from them that, per medium of preference to unionists, they find they can do their work in a much quicker and more effective manner than they can do it where preference to unionists is not granted. I venture to say that moderate employers will admit that there is very little friction between them and their employees to-day, except that the different employers and employees fight out their case in the Arbitration Court, and not as they used to do in the past out on the grass on some occasions. I think the matter of preference to unionists is an important matter for the improvement of industry as a whole.

Mr. BRAND: It is generally recognised.

Mr. BRUCE: It is generally recognised in those places where unions are sufficiently strong to enforce it. In smaller phases of industry very often preference to the unionists is not granted.

Mr. BRAND: If unionists do the right thing, the principle is generally recognised.

Mr. BRUCE: The question of what is the right thing is a matter of opinion. In connection with public utilities, I agree with the hon. member for Windsor that loans to shire councils are perhaps the branch of loan expenditure which is best handled. We get a return from the shire councils, the money is guaranteed, and in the larger percentage of cases the work they do is in relation to the money spent. I am reminded of this, in view of the fact that at Halifax, a centre in my electorate, they have been fighting for the last twenty years to secure a bridge which is of the utmost importance to that town. I was somewhat astonished at the extent to which the loan moneys for that particular purpose had been cut down on the present Estimates. I trust that whatever money is available will be lent for the purpose of developmental work in the different shires in Queensland.

Something has been said on the question of exchange, and we have had some very strong statements with regard to the matter.

At 4 p.m.,

Mr. F. A. COOPER (*Bromer*), one of the panel of Temporary Chairmen, relieved the Chairman in the chair.

Mr. BRUCE: It is known by all that at the present time a large amount of money belonging to the people of Australia is retained in England owing to the interest charge which will be made on the transfer of that money to Australia. I do not accept the views which have been expressed to the effect that the question of exchange between other countries and Great Britain is on the same footing as the question of the exchange between Great Britain and Australia. It must be remembered that the currency in use in the latter case is identical, and that this interest charge for the transfer of money to Australia—here I join issue with some of the speakers—is due to a trade balance in favour of Australia, not money that is due to the raising of loans in England. We have a system of banking by which Australia,

a huge producer of gold, transfers it to England per medium of note issue, not per medium of any surplus of goods or commodities that we receive from Great Britain. It has been argued that, when we are dealing with questions overseas, we must produce commodities to balance what we receive from overseas; but I say distinctly that we have never received the commodities from overseas to balance the gold that has been sent to Great Britain from Australia per medium of a movement in banking. The question naturally introduces some difficulty, but the financiers of Great Britain are doing this in respect of that money. They say, "It is here, and, if you want it, you have to purchase the commodities we have to sell." They do not want to send it here to help Australia as producers of commodities per medium of secondary production. So long as we are a "wood and water joey," so long as we engage solely in primary production, they are prepared to assist us—in so far as they are at the same time assisting themselves—but, when it comes to a question of making available the money that is due to us in Australia for the development of Australia, then they put the brake on per medium of an exchange charge of 3 per cent.

The TREASURER: Do you suggest that we could get that money over here?

Mr. BRUCE: No. I say that you cannot get it out at a profitable rate, and I am giving the reason why you cannot. The argument as to the balance of imports over exports, whilst it may apply to the rest of Australia, does not apply to Queensland, because Queensland's exports have exceeded her imports from the old country. The primary producers of this State—not merely the workers—need to study particularly the question of finance in regard to the difficulties of Australia to-day. People often misunderstand the capitalistic system. It is that that we have to understand and whittle out of existence. In it the capitalist counts for nothing. The system must be understood, and I take it that, whilst our legislation is wholly a question of pruning the tree of capitalism—and under those conditions it sometimes grows more vigorous—we want to get to the roots.

GOVERNMENT MEMBERS: Hear, hear!

Mr. BRUCE: I think that the speech of the hon. member for Warrego was one of the finest speeches in regard to the financial aspect of Australia's difficulties that have been delivered in this Chamber, not because of the large area that the hon. member covered. He did say that, per medium of a certain simple method of trickery, the whole of those engaged in production in this country were defrauded of the fruits of their labour.

Mr. HARTLEY: That is the word—"defrauded." (Opposition laughter.)

Mr. BRUCE: We have to get down to bed-rock. This is not a question for joking. Every hon. member individually is the victim of this system. We know that this world can produce more than is required for the welfare of the people of the world. We know that America to-day holds the largest gold reserves, is the wealthiest country in the world—the wealthiest country in the history of the world—still she has her tens of hundreds of thousands of people starving, unfed, and unclothed. Because this is a tremendous hurdle to get over and a stupendous

[*Mr. Bruce.*

task to accomplish, and because we cannot do it in our time, we must not say this is the end of all things. No matter how ineffective or futile may be the efforts that we make towards doing away with the situation, as thinking men we must set our shoulders to the wheel and fight this proposition, and not merely pass our few years on this earth and die having done nothing. There is no business man here to-day who has built up his business who has not at some time been in the hands of his banker, when his banker could have quashed him or let him go. There is no man who does not understand the banking system to some extent. There is no man who does not understand that with a few thousand pounds of capital—not a large amount—it has been possible in the past, if it is not possible now, for men to get the wealth of the people into their coffers; and if they did well, they increased their own revenue, and if they did badly, they went "broke," and the other man lost his cash.

The banks and the insurance companies are only the collecting mediums to enable a few men to control the whole of the capital—I do not say wealth—as it is represented to-day. They control the lives and the conditions of the people. I quite agree that the Treasurer could not have done more than he did do in England, and I quite agree that there is a difficulty with regard to money in connection with the rate of exchange, and in bringing the money to Queensland; but unless we keep battling on, we shall do no good. If we cannot do a thing to-day, we can look forward to doing it to-morrow.

There is another aspect of the question of the cash used for carrying on business in this country. If a worker receives his basic wage to-day, then at the end of the week it is split up between the grocer, the butcher, the baker, etc., and is back in the bank in a very short time. You must not lose sight of the fact that when a man is paid his wages, he does not burn the notes, or, if there is a gold exchange, he does not throw the gold into the sea: but that money is still available for carrying on industry and for other purposes. After all, the gold and the notes are only tokens backed up by the wealth of the country in which they are issued, and at the end of a very short period the workers' money goes back to be reissued. It has been stated here that if a man has surplus cash, he looks forward to investment, but if he is taxed on that money, he cannot invest. Does anybody mean to tell me that, because the Government take that money and it is not invested in private enterprise, that money is taken out of circulation? The money has certainly not been taken out of circulation. It is still circulating, whether it passes through the channels of taxation or investments by private enterprise. These are some factors which have been overlooked in some of the statements that have been made on finance. Any hon. member representing a farming constituency knows that the banks are to-day restricting loans. I know from a recent visit to my electorate that farmers offering gilt-edged securities three or four times more than the amount applied for have been refused accommodation.

Mr. MAXWELL: That applies also to the Commonwealth Bank.

Mr. BRUCE: I admit that. As the Treasurer has stated in this House, time after time the operations of the banks have also restricted other public utilities. What does

that refusal of accommodation mean? It means that a man possessing a farm, through not getting the necessary accommodation, is unable to place his area under crop, and is, perhaps, retarded for two or three years.

Mr. MAXWELL: Hear, hear!

Mr. BRUCE: If that man was able to get accommodation, he could have grown his crops and—this is a matter of vital importance to those who represent the Labour party—given employment to three or four men as well. I do not know sufficient of what is going on to give the reasons why the banks are pursuing this policy, but I do not concur in the opinion of the hon. member for Windsor that it is purely a policy of security to obviate the position that arose in the great bank smash in 1893. The country is not in the position to-day that it was then. We are not on the verge of another bank smash, and the banks have accumulated reserves which completely do away with that fear. The establishment of the Commonwealth Bank is also a factor in regard to this matter. For some reason or other a conservative policy is being adopted by the banks, and that policy is holding up development and militating against the welfare of Queensland. I have said what I have in the best of good faith. I am speaking to the Committee as a whole, and to each hon. member individually. I do not know whether I have handled the various matters I have touched on capably or not, but I have done my best, and they are matters which in my opinion are of vital importance to the welfare of this State. The very fact that, with all our tremendous wealth, and increased methods of production, there is still a section of the public unfed and unable to get employment, which would be for the benefit of the State and society, should be a matter for thought and consideration, and cause hon. members to devote their energy to arriving at a solution of the problem.

HONOURABLE MEMBERS: Hear, hear!

Mr. WARREN (*Murrumba*): After listening to the debate, one must be convinced that hon. members on the Government side are beginning to consider the situation. But they are only commencing to consider it. They promised in the past very great things to the workers and State generally, but none of those promises have been fulfilled. They are now being convinced that they are unable to carry out those promises, whereas other people came to that conclusion at the time they were made. They were making promises that no law, human or Divine, could fulfil. I say that advisedly. I know that, if the Creator wished to perform a miracle, He could do it, but under human laws the Government could not possibly fulfil their promises.

Mr. COLLINS: That is something similar to your speech that I listened to at Beerburum.

Mr. WARREN: The hon. member will be able to speak soon and give us some information as to the "white-anting" in the Labour party. If the Government were able to carry out their promises, there would be no one more pleased to give them credit than myself. I do not care which party is in power so long as Queensland benefits. I would be delighted to acknowledge any benefit to Queensland resulting from Labour administration, but I can think of no benefit that the present Government have conferred.

Mr. Warren.]

It is not their own fault. I believe they were actuated by the very highest of motives; I believe that they thought they could carry out those promises and give cheaper bread and meat to the people of Queensland.

Mr. W. COOPER: And so we did.

Mr. WARREN: The Treasurer himself described the State stations as a failure, and in England he advocated that they should be sold. We know that the very reason why we have dear meat in Brisbane is that these State stations have been such a shocking failure. The Government could put cattle on the market and in their own shops at a cheaper price than could private industry. They have failed to sell the meat cheaper because they cannot run their shops in competition with private enterprise, and so the price is kept up.

Mr. MORGAN: They send their prime beef to the South for sale and give the people of Brisbane old cows to eat.

Mr. WARREN: There is no doubt about that. It may be good business, but it is not a very nice thing to know that a Government who are supposed to stand for the workers give those workers the inferior meat to eat. Through this mistaken policy the Government have created a position that they cannot sustain. When we hear of trouble in the party, both inside and out of this Chamber, we know that it is the forerunner of something that will be far more serious than the trouble that now exists. If the Government wish to do something for Queensland, they must acknowledge their faults. I said in a previous debate that no person or Government should be condemned because of a mistake. But we have had those mistakes perpetuated year after year. The Government have now been in power ten years, and in the light of previous experience, it is time they rectified their errors.

When we know that we are the highest taxed people in Australia it can be readily understood why we cannot compete with the people in the Southern States. Hon. members supporting the Government seem to take very lightly the fact that we are sending all our raw products to the South to be manufactured there. We are not progressing so far as manufactories are concerned; we should manufacture our own raw products. Until we do that it is no use talking about land settlement. At the present time we are over-producing in many respects. It is no use the Government talking about a grand scheme of settlement unless we develop our secondary industries. Take America! With all their manufactories, that section of the farming industry that is producing goods for export is not in a prosperous condition, but those farmers who are producing crops which are consumed by the millions of Americans are doing well because their products are consumed in their own country. No doubt the Primary Producers' Organisation scheme that the Government are attempting to put into operation was introduced with the very best intentions, but even that scheme, if it was the greatest success possible—which at the present time it is not—would not get over the difficulties we are up against. It would be wise if the Government were to take these things into consideration. In spite of the enormous amount of money that we are collecting from the people according to the Estimates, we do not seem to be preparing in any way to meet

the difficulties that are coming. I believe it used to be the policy of the Labour party not to borrow. I do not say that it was a wise policy, because any farmer can borrow money with advantage so long as he is able to work his farm in a common-sense manner.

We have heard a considerable amount of talk about private banks not advancing money. In the district that I represent the Agricultural Bank is the largest bank, and had the Government not wasted millions of pounds—absolutely thrown it away—on State enterprises and had they not gone in for equally reckless expenditure in other directions, then they would have been able to finance the Agricultural Bank and have enabled that bank to advance money to a greater extent than it has. In the future the Agricultural Bank is not going to advance moneys to farmers to release mortgages. That is the most important thing of the lot. I do not think that, as a rule, the commercial institutions are the bloodsuckers that they have been held out to be by different members who have spoken from the other side, but I do think that they are very commercialised machines. Many times they will not advance sufficient money for the improvement of a farm. At one time in the history of Queensland men went on the land with nothing.

Mr. COLLINS: They generally had a bag of flour.

Mr. WARREN: I quite agree with the hon. member for Bowen, but these are not times when a man can go on the land with a bag of flour and a few tools. There is a need of capital now to work the land. Even the most successful of the returned soldiers who went upon small holdings, had about £700 to start with. Right through there is a necessity for financial assistance under the present methods. Even at this late hour of the day, it would be wise if some means could be provided to assist the producers. At the same time I do not think that it is wise to spoonfeed them. I know that even recently men have been spoonfed and the money has been wasted; but the money advanced through the Agricultural Bank has been judiciously lent, only a very small percentage not having shown a good return. If the Government lend money in this way, it will not be wasted; the money only changes hands, and the settler becomes responsible for the interest to the State. After all, the prosperity of the people on the land is most important. The Government now have to pay a very high rate of interest. It is not a high rate of interest for a private individual, because as a rule a private individual does not pay less for his money than 7 per cent., but it is very high interest for a Government to pay; and the only way they will get it repaid is by lending it to the farmers or to the shire councils. There has been a lot said about injudicious expenditure by shire councils, but we find they are able to pay their interest. While on the matter of high interest, I would remind the Committee that we are going to have high rates of interest for a considerable time.

In reading the Financial Statement one must come to the conclusion that it is a very poor attempt, as are all too many of the speeches which have been made in the Chamber, to cover up the mistakes of the Government. You cannot get away from the fact that this enormous amount of expenditure is not showing a sufficient return. The

[Mr. Warren.

hon. member for Bowen mentioned that we have an increased population as compared with 1914. The cost of government, of course, rises as the population increases, but prosperity does not increase to a very great degree simply because the cities become a little larger. The expenses of the city councils amount to considerably more in consequence, but the enormous rise in expenditure is not accountable for that; that is due to leakage. The worker is getting more—I quite admit that—but is he getting any more benefit? We have been discussing this question both inside and out of this Chamber for a considerable time, and we find that there is great dissatisfaction amongst the workers, and particularly the public servants. Is it justified? I maintain that it is amply justified, and that there is

no doubt that the public servants [4.30 p.m.] and the people generally are not able to buy as cheaply as they were in many instances, and, although we boast of our high wages, we are very little better off, if any, than before. We have a greater amount of money to handle, but the worker is not any better off now than under the Liberal or Tory Administration. I believe that the worker is in the majority, and I would like to see his conditions better, and I can quite see that hon. members on the Government side are puzzling their heads as to how they are going to accomplish it. We hear of the method of acquiring the banks—one hon. member propounded some such system—but that would not be profitable. The position would be worse, because they would be on the Government's hands, and there would be no hope of bettering the condition of the worker or assisting the prosperity of the State. After all, the first consideration of the average worker and of the average business man is for the State. I do not believe that the average business man wishes to see the State placed at a disadvantage, nor do I believe that the worker has any such desire. Until we are able to evolve some plan whereby the State will benefit with the advancement of the human element we are never going to do anything of permanent value to the worker. I know that a man can pay as much as 10 per cent. interest on his farm if it is a good going proposition, but, if he is getting no return, then the money borrowed is a dead weight. That applies to the Government. If the works for which the Government have borrowed money were reproductive and were making interest or bringing about prosperity, it would be all right; but they have done no good at all.

We have the dissatisfaction amongst the unemployed. I admit that we have some unreasonable dissatisfaction, but we have some very just causes of dissatisfaction amongst the workers and the producers and all classes of the people, and, until the Government wake up to their duty and a better condition of affairs comes about, we shall not have prosperity in Queensland.

I do not know any case where the Government have done the wise thing in carrying out their works. I am alluding now particularly to the Department of Public Works. It is going to cost the department considerably more to do its work than it does the private individual, and I do not admit that it is permanently better work. I do not think the State gains anything but rather loses a lot. Who gains? Certainly the worker gains nothing, and I hope the Government and the worker will begin to see

it. The Government have come to a dead end.

Mr. COLLINS: What nonsense!

Mr. WARREN: Absolutely. One member on that side, the hon. member for Leichhardt, said that he admitted they had come to a dead end, but he said it was only temporary. The Labour organisations feel that the Government cannot but admit that they are absolutely at a dead end. The extreme section know that. They have been forcing the Government to do the most reckless things. Some hon. members on this side have stated that the Government could have granted certain things demanded, but I consider that under the circumstances the Government could have taken no other stand. All the circumstances point to the fact that the Government have made a mistake all along the line, and the sooner it is altered the better it will be for Queensland. There had been a waste of energy and money by this Administration. The Treasurer in his Statement mentioned that a certain amount of money was being appropriated for the Prickly-pear Commission. I am quite convinced that the insects are doing wonderful work in connection with pear destruction. I have witnessed two different centres where they have been distributed, and I consider them to be one of the finest means of assistance that Queensland has experienced in the last twenty-five years. There is practically no expense. It merely means that the insects are distributed, and they do the rest. I hope that the Prickly-pear Commission will give full consideration to this method of pear destruction. So long as the insect is well scattered about it will do good work, particularly in the heavily infested areas. I know it is early to prove what these insects can do, but I hope that the Prickly-pear Commission will keep itself well posted with the ability of those insects, so that the results can be fully considered and the settlers can have the benefit of this method of pear destruction. There are several methods of poisoning the pear, but I understand the Prickly-pear Commission is adopting the most up-to-date method. If there is anything on which I can compliment the Government, it is on the way in which they are dealing with this pear problem.

The Government should carry out more improvement work in connection with our railways than they have done. Since the construction of the North Coast Railway to Gympie there has been a considerable amount of development along that line. I want to call attention to the station of Palmwoods, and I dare say my remarks in that connection apply to other places in Queensland. What was good enough for Palmwoods forty years ago is not good enough to-day. I know of one or two serious accidents and many minor accidents occurring along that line.

At 4.35 p.m..

The CHAIRMAN resumed the chair.

Mr. WARREN: I am quite convinced that the Minister or the Commissioner would put the buildings in an up-to-date condition if the money was available. The expenditure of a sum of money at such an important centre, where, to my mind, the buildings are unsafe, would possibly prevent an accident and the expenditure of a large amount by way of compensation. These matters point to the necessity of having more funds available. I do not want to blame the

Mr. Warren.]

Government for not doing these things when I know they have not the money to carry them out, but it would have been more advantageous if the Government had left undone a lot of the works undertaken and carried out works for which there was a greater necessity.

The Government want to do a fair thing by the producers. Nothing has been done by the Department of Public Health in connection with the milk supply for Brisbane other than the detection and prosecution of offenders for watering milk. No one would attempt to justify that practice, and the average producer does not stand for it. There are unprincipled men in every industry. But there are things worse than watered milk. I now refer to filth and the poor means of transporting milk. In regard to the transport question, I regard the Commissioner for Railways as the greatest offender, as some of the wagons supplied are not fit for the purpose of transporting milk. I have seen much better methods employed on the railways in other States I have visited. In a hot, damp climate like Brisbane, it is necessary to employ every means within our power to ensure a pure milk supply. The producers are endeavouring to do all that it is possible to attain this end. They have been endeavouring to secure a milk pool and become collectively responsible for the distribution of milk. If the Government had to do with the producers collectively, it would be a much easier method than the present. I have been connected with the milk trade for a considerable time, not as a middleman, but as a producer, and I know that the average man, whether he be a producer or an employee, requires to be kept up to the mark in order that this most necessary article of food for children shall be delivered in a condition not contaminated. The Government should hand over the control of this question to the city council.

Hon. M. J. KIRWAN: Under the Greater Brisbane Scheme they will handle it.

Mr. WARREN: I do not know whether they will. They are very scared of the proposition. I think the Government and the City Council should meet the producers and come to a reasonable understanding. They could easily do that, and in less than a year we would have a much higher standard of milk than we have at present.

I have no intention of dealing with the Financial Statement in a general sense, but if the Government do not realise where they are, and, if they continue to lead the people as they have done in the past, Queensland is going to have a very serious future ahead.

Mr. GLEDSON (*Ipswich*): While sitting here listening to speeches of hon. members of the Opposition dealing with the Financial Statement I have been very keenly interested to find if any hon. member opposite had a solution for the financial problem now facing Queensland and other parts of the world. So far I have not heard one hon. member of the Opposition advance a method by which we might better our position. It seems to be a problem that will have to be tackled, and in such a way as will get us somewhere.

The debate has wandered right around from millions in the air from the hon. member for Eroggera down to water in the milk from the hon. member for Murrumba. So far I have not heard, and I do not think any hon. member on this side of the Chamber

has heard, any constructive criticism levelled that will enable us to find a way out of our position and better that position. I have taken the trouble to look up the position of the Commonwealth finances during the periods used as a comparison by hon. members opposite.

Mr. MORGAN: The Commonwealth Government are reducing taxation this year by £2,000,000.

Mr. GLEDSON: The following figures show the revenue that Government obtained in the years 1914-15 and 1923-24:—

CONSOLIDATED REVENUE.

Year—		
1914-15	... ..	£22,419,798
1923-24	... ..	£73,745,777

That is not taking into consideration anything in regard to the loans that have been raised. The hon. member for Windsor, when speaking this afternoon, said that our Government had double the revenue that they obtained the year they took office. The Commonwealth Government, leaving out the war debt altogether, have increased the revenue at their disposal over three times during the same period.

The question of the taxation of the people was then raised. I say that the Commonwealth Government have stepped in and exploited the avenue of direct taxation that should have been left to the States. During the last financial year they collected £50,852,483 by that means in the shape of land tax, income tax, stamp duties, war-time duties, entertainment tax, and war tax.

The hon. member for Murilla interjected a while ago that they were reducing taxation by £2,000,000. They can well reduce taxation by £2,000,000, because last year, including the surplus revenue, they took over £5,000,000 from the people of Australia more than they required to carry on the work of Australia. The Commonwealth should go out of some of these avenues of direct taxation and allow the States to obtain their revenue by those means. The 25s. per capita paid to the States out of the surplus revenue fund could be retained by the Commonwealth if they were to leave to the States the direct taxation from which they at present derive revenue. If they did that, many millions of pounds would come back to the State, and Queensland would be in a much better position than it is in to-day. I have the figures for the year 1922-1923—which is the last I could get—taken from the Budget issued by the Federal Treasurer—

Income tax collected in Australia, 1922-1923	... ..	£12,904,517
Entertainment tax collected in Australia, 1922-1923	... ..	629,801
Land tax collected in Australia, 1922-1923	... ..	2,018,875
Total	... ..	£15,553,193

In that year the Commonwealth Government handed back to the various States a total sum of £7,100,551, so that they collected from direct taxation more than double the amount that was paid back to the States by way of 25s. per capita. The amounts collected by way of direct taxation by the Commonwealth in Queensland for the year 1923 were—

Land tax	... ..	£70,398
Income tax	... ..	1,209,829
Entertainment tax	... ..	66,512
Total	... ..	£1,346,739

[Mr. Warren.]

The amount paid to Queensland for the year 1922-1923 in connection with 25s. per capita payment was £978,673. That shows that the Commonwealth Government collected in Queensland by way of direct taxation nearly £500,000 more than was returned to Queensland by the Commonwealth.

One thing that struck me in connection with the Financial Statement is the very large increase in the interest bill that has to be paid by Queensland. That is the most important thing in the Financial Statement. The interest that has to be provided this financial year amounts to £4,220,913. That amount has to be paid to the people who have lent us their money for the purpose of developing the State. The Financial Statement says—

“Interest on the public debt is increased by £459,000, of which the recent conversion loan is accountable for £214,000, the balance being made up of provision for new issues and for issues last year on which interest was payable only for a portion of the year.”

If the interest on the national debt was reduced by 1 per cent., it would mean a saving to Queensland of practically £1,000,000 a year, so the rate of interest charged makes all the difference.

One thing that also struck me was that before we can get anywhere we must tackle the problem of banking. That must be tackled straight away.

Mr. MAXWELL: If you do no better than you did with the State enterprises, it will do you no good.

Mr. GLEDSON: If we do as well with general banking as has been done by the Commonwealth Bank, we shall do very well. The Commonwealth Bank was established by the Labour party, and it has been an immense success. Some of the State enterprises have not been successful because they have had the opposition of private enterprise right throughout the piece. Private enterprise has endeavoured to kill State enterprise on every possible occasion. We must tackle the problem of banking. In my opinion, what the workers of Queensland and Australia have to do is to concentrate upon capturing the Treasury benches in the Commonwealth Parliament at the next election, and after they have done that to monopolise and take full control of the banking of Australia so as to give the people credit in a proper way.

Mr. DEACON: Take the money?

Mr. GLEDSON: I think anyone who thinks calmly over this matter will see that it is a matter of credit. I do not think the hon. member for Cunningham, who interjects, will say that this question of trade is wrapped up in people merely sending notes and gold to one another. The whole question of exchange is bound up in the question of credit, and it can only be worked successfully by having control of the banking business. We know what has been done by the banking institutions and bankers of the world. They have so rigged and worked the banks that they have got the people's money into the banks, and through the failure of the banks they have ruined thousands of workers who only had a few pounds to their names. They have done that in every country in the world. That is one of the reasons why, if for no other reason, we should take full control of banking in the interests of the people of Australia, so that we would be able to give

credit not only to the industrial workers but to the farming industry, and lend them money at such a rate of interest as would enable them to successfully carry on their business. Quite a lot has been said about the State endeavouring to get its bank going and advance settlers money to enable them to put their land under crops for sale and employ labour. If we had control of the banking in Australia, we would be able to start a proper system of credit.

Mr. MAXWELL: It would be a case of God help the country if you did.

Mr. GLEDSON: There is no question that that is what we have to aim at—getting control of the banking interests of Australia.

The question of exchange between one State and another, and the difficulties in connection with it, has been touched upon by some hon. members. The difficulty would be solved if we had control of the whole of the banking of Australia, because the Government would be able so to arrange their credits between one State and another that they would be able to prevent difficulties like those which at present exist with regard to exchange, and to facilitate the transference of credits from one country to another. We are told by some people that when we had the gold system in operation we were able to transfer gold from one country to another, and that everything was all right, that it was a question of trade—of goods travelling from one country to another. If that was so, what is to stop us from transferring the credit of the Bank of England out to Australia to-day and thus bringing about an easy position so far as exchange is concerned?

The only thing to stop them is [5 p.m.] lack of desire to relieve the position. They want to maintain the abnormal state of exchange so that they will be able to control, not only the finances of Great Britain, but of practically all the British Dominions, and even the world's finances, from London and New York, because the London brokers and the American moneylenders are working hand in hand.

With regard to the loan proposals, we find that we are limited as to the amount we can raise in London this year to a sum which is less than the amount required to pay our interest on the public debt. This year we have to find £4,220,913 interest on the public debt, the bulk of which has to be paid in London, including the amount due to American lenders, which will be transferred from London. I contend, therefore, that more than £3,000,000 could be raised in London, and we could keep our own money here for the purpose of developing our State.

One hon. member on the other side said that when railways had been built for 50 miles money should not be spent in extending them another 30 miles to serve settlers and get increased traffic, but that we should allow those settlers to cart their products in that distance. I say that the hon. member has the wrong end of the stick. Settlers should not be placed 30 miles from a railway, but we should get control of the land suitable for agriculture round about our present railways, where they have a chance of getting their goods to market.

Another matter which has been discussed is unemployment. We know that nothing is worse for a man than to be unemployed. It is very hard for him to battle along on the basic wage at present. On £4 he cannot

Mr. Gledson.]

possibly keep his wife and family without getting into debt—I know from experience—and every other man knows that he cannot do it. But some men are not getting even the basic wage—they are unemployed—and I can speak from experience of what that means also. I have walked from one place to another looking for work, and I have gone to grocers and butchers and asked them to provide food for us until I could get work. I have gone on like that for week after week, and, when I did get work, have had to go on for years working to pay off the money. The big trouble in connection with our unemployed system is that the Unemployment Council only provides sustenance. We should give to the council power to find employment for men who are out of work, and in this connection I would like to make a suggestion to the Minister in charge of the Act.

According to the report, there is a certain surplus, and I would suggest to the Minister that that money be expended on reproductive work—work that will be of a permanent nature and work in connection with secondary industries so as to give permanent employment. If the Minister is able to do that, then it will be solving the unemployed problem in a way in which we have not been able to solve it up to the present. We knew very well that when we obtained loan money in the past, it was spent on railway construction, irrigation works, etc. They were very good undertakings, but, when those railways were completed, the thousands of men employed on the work were thrown on to the scrap heap again and were unable to obtain work until another railway was to be constructed or loan money was to be expended on other public works. If we could only establish permanent secondary industries so as to manufacture our own raw products—even if we only manufactured for our local requirements—we would be solving our unemployed problem to a considerable extent, and it would be far better to have the unemployed working on the manufacture of our raw material than that they should be receiving sustenance.

The Dawson Valley irrigation scheme has been spoken of as a very excellent scheme, and we all hope to see it a success; but what is troubling me is not the question of whether we shall be able to conserve millions upon millions of gallons of water, and be able to fix up the farms and place men thereon so that they will be able to produce in abundance those things which they will grow, but what they are going to do with what they do produce and where they are going to sell it.

That brings me to another question. Without waiting any longer, I think the Government could very well establish now some sort of organisation to handle and control Queensland products, not only those relating to food, but in connection with all other articles, so as to prevent over-production of unnecessary things, and to see that those things which are not being produced and which could profitably be produced are produced, and by so doing we would be doing some good for our country. I understood that the organisation of the farmers with the Council of Agriculture, the District Councils, the Local Producers' Associations, and all those bodies with the backing of the Government, were going to carry on that work, but, sad to say, they have not done so. Up to the present time they have made no

attempt to ascertain the market requirements in Queensland or overseas. They simply seek to place the people on the land and get them there to produce as much butter, cheese, etc., as they can, and trust to chance as to whether they are going to find a market for it or not. That haphazard way of doing things is not going to get us anywhere. If the Council of Agriculture and the other subsidiary bodies are not going to face those matters, then it will be necessary for the Government to take up the matter and establish an organisation to ascertain what our requirements are.

The same argument could be applied in connection with products other than food products. Take coal. So far we have no proper organisation to deal with the supply of coal. We have set out to produce coal. We have in Queensland some of the best coal that can be found anywhere in the world. Our mines are just at the point of being able to produce as much coal as is required. If we take the district represented by the hon. member for Bowen, we find that there is a splendid coalfield there, and the State mine could produce double or treble the quantity of coal it is producing if there was a market for it. We shall have to set about to organise a demand for our coal by finding markets. There is nothing to be gained by putting men on to sink a hole in the ground in order to produce more and more coal if the men cannot be guaranteed work to keep them constantly employed.

Some mention has been made in the course of the debate of a 44-hour week and the basic wage. There has been quite a lot of discussion about these matters of late outside of Parliament. Any hon. member who has had anything to do with the workers in the bulk of our industries will admit that 44 hours is quite long enough, and too long in some cases, for the men to work each week. Why then, if that is the case, cannot we have that principle operating? We are told by hon. members on both sides that the financial stringency does not permit a Bill to legislate for a 44-hour week to be introduced at the present time. Is there any hope of that financial stringency improving and the position becoming better in the future? Unless we can get control of banking and the credit system, or get some control over it, the position will only become worse. Our interest bill now amounts to £4,220,000 per year. Next year we shall be called upon to convert another £13,000,000 of loan money, which will mean, if the same increased rate of interest is paid as we have had to pay on the recent conversion, that next year we shall have to provide nearly £5,000,000 for interest. The financial stringency will then be worse than it is at the present time. We have to get away from those conditions. Should we compel the workers to work a longer period than 44 hours a week? If not, then the industries in operation to-day should pay their employees a decent wage. I am not confining my remarks to public servants. Every industry in the State should be able to pay a decent living wage for a working week of 44 hours, and they will produce in that period more than what is required to keep every man, woman, and child comfortable. There is no need for anything more than that to be done. I fail to see, as the hon. member for Murrumba has said, that we have reached any dead end.

GOVERNMENT MEMBERS: Hear, hear!

[Mr. Gledson.

Mr. GLEDSON: Hon. members have only to take a walk down Queen street in the City of Brisbane any night, pass into Edward street, and see on each side of the street long rows of motor cars costing many thousands of pounds. How long is it since that condition of affairs has arisen? We find that during the last ten years that Labour has been in office the wealthy people—the business people, the squatters, the graziers, and even the farmers—have become richer and richer until they are able to come down here and have their motor cars.

Mr. COSTELLO: The wage-earner has not a motor car.

Mr. GLEDSON: He has to provide all these things, and he is the man who should have them. The man who makes these things is the man who has a right to their possession. Instead, he has the satisfaction of standing on the footpath, if he is able to get there at all, and of watching his boss and his lady with their daughters and sons ride past in motor-cars. That is the state of things throughout Australia and the world to-day. Something must be wrong if that is allowed to continue. We should not have poor people to-day who are scarcely able to live on the money they receive as wages, and the rich class with motor-cars worth millions of pounds in the aggregate. In any case, it shows the wealth that is in Queensland.

Mr. COSTELLO: That is what the poor get under the Labour Government.

Mr. GLEDSON: We are told that we have reached a dead-end and that we can get no more out of these people to give the workers what they are entitled to get. Recently we had the Centenary Celebrations in Brisbane, and down from the country we had men and women with their families, living at the Belle Vue, the Cecil, and other expensive hotels. What does it cost to live there?

Mr. COSTELLO: I have not tried it.

Mr. GLEDSON: Not 4s. a day, but a guinea or 25s. a day.

Mr. COLLINS: That is a very moderate estimate.

Mr. GLEDSON: If many of our workers had that amount a week to live upon, they would think themselves well off. Yet we find hon. members on both sides of the House saying that we have reached a dead-end in the matter of taxation—that we cannot tax any more. I say that if these people have that money and can spend it in that way—there is no need to spend that amount of money to live—it should be divided up amongst the poor. They would then be able to get some of the things they desire, and I am going to do the best I can to see that those I represent get a fairer share of the wealth they create.

Before we can get anywhere I consider that we have to get control of the credit of the State. To do that we must get control of the credit of the Commonwealth. I want to make an appeal to every hon. member on this side of the House and every worker throughout Queensland who has the interest of the Labour movement at heart to put his shoulder to the wheel and to buckle to during the next few months, when the Combined or United-Nationalist-Liberal-Tory-Country party will go to pieces and go to the country because of their inability to carry

on. We shall then be able to get control of the Commonwealth Treasury and do something regarding the credit of Australia.

Mr. COSTELLO: No hope.

Mr. GLEDSON: The hon. member for Carnarvon is a young man. He has many years before him, and I hope that during those years he will use the experience he has gained in this House for the benefit of those he represents. He represents men in a farming district who are struggling along day after day hardly able to get a crust. They cannot get credits because the Commonwealth Government have got the finances into such a tangle, and have allowed private banks to get control. I know quite a number of farmers who are struggling along, and I hope the hon. member will consider these things seriously, and that he will go into the library and study the books dealing with the financial problems of the world. If he does that, he will stand behind us in our endeavour to get control of credit in the interests of the workers, so that we shall be able to do something for the people of Australia that will be lasting.

We should have proper organisation of production, and be able so to organise our primary industries that we would know how much we required, and when it was required to settle men on the land or settle men in industry, we would know what to put them to. We would be able to say we want so many men in the dairying industry, so many men in the sheep industry, and so many men in the cattle industry. We would know exactly what we wanted, and would not go along in the haphazard way that we have in the past.

Mr. LOGAN: What about droughts?

Mr. GLEDSON: In a time of drought the country would be carried on in an effective manner. If we had control of these things, we would be able to provide credits at a rate that would enable the people to carry on. It would not be necessary to charge them up to 10 per cent. for accommodation, as the private banks are doing at the present time. If we had control of credit for the whole of Australia, they could get the money at a rate of exchange which should not be more than 2 per cent. or 3 per cent. These are the things that matter, and things those hon. members representing farming electorates should get into their minds. If they were to study these things, they would be in a position to do something for the men whom they represent. If we were to take control of banking we would have the nucleus of a fund to enable us to establish secondary industries and provide men with payable work. We should have only a limited number of men employed casually. The Government have endeavoured to raise as much money as possible, so as to keep men in work, but the effort has not been successful because the system has not been right. There has not been sufficient organisation in the matter, and until we get an organisation of the system we shall never be able to get where we ought to get.

At 5.25 p.m.,

The CHAIRMAN left the chair, reported progress, and asked leave to sit again.

The resumption of the Committee was made an Order of the Day for to-morrow.

The House adjourned at 5.30 p.m.

Mr. Gledson.